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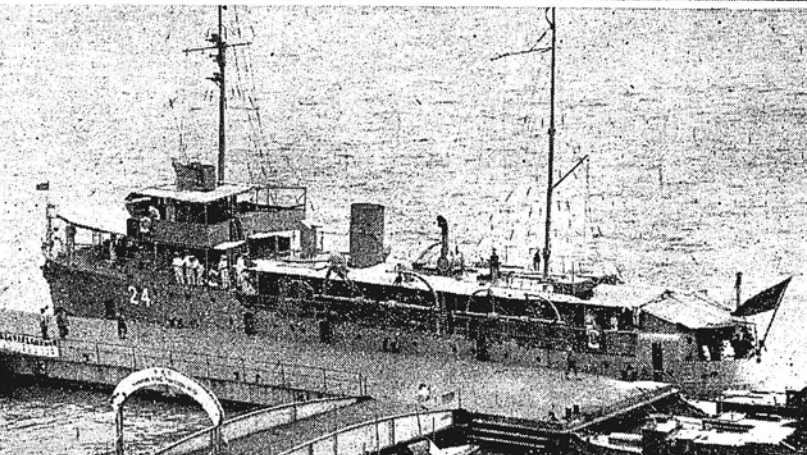
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FINANCE MINISTER ARRIVES FROM NANKING

"N.-C. Herald" Photos.



Dr. H. H. Kung, Minister of Finance, arrived in Shanghai on August 30 from Nanking in the Customs cruiser Wehnsien, and was greeted at the Nanking Road Jetty by local Chinese officials. Dr. Kung is seen coming ashore while below is the Customs vessel alongside the jetty. Dr. Kung has been in Kuling and flew from Kuling to Nanking.

A CUSTOMS MOVE

If the reports of the establishment of special inspectorates of customs under the control of the Hopei-Chahar Council are found to be correct, the Chinese Government will be confronted by a serious situation which may imply the complete severance of the Northern Customs administration from the Maritime Customs under the Central Government. Moreover the Customs authorities operating against smuggling activities will no longer be able to function in the North and thus the removal of certain obstacles previously placed in their way will be rendered nugatory. The proposed separate establishment is all the more serious because, apparently, it will be accompanied by the introduction of what will be virtually a lower customs tariff. The effect on the revenues of the Central Government will be considerable and may easily outstrip the loss accruing from the extensive smuggling operations of a few months ago. It will conceivably inflict heavy damage on the trade of other areas in China, for the diversion of merchandise to ports where the lower tariff prevails may be expected to follow as the natural outcome of the new régime. Until more authoritative information is received it were better to suspend final judgment, but it is appropriate to point out that international issues are clearly involved in any branch of the Customs and such branch appears to be firmly indicated here. Sino-Japanese co-operation in the economic development of the Northern provinces would be warmly welcomed by all who appreciate the requirements of the two countries and the benefits to be derived from that solution of recent difficulties. There seems to be no reason however why it should demand an attack on the tariff under conditions which would seriously disturb international relationships in the North and in other parts of China by reason of the repercussions certain to ensue.

CHENG TU TRAGEDY

The Japanese community will be assured of general sympathy in the tragedy which, it now turns out, has all too correctly been reported from Chengtu. Journalists in Shanghai will desire to be specially associated in the regret which is being expressed at the deaths of Mr. Keiji Fukagawa and Mr. Kozaburo Watanabe. Mr. Fukagawa, as a reporter of the "Shanghai Mail", was particularly well-known to members of the profession. A man of kindly disposition and calm judgment, he was much respected and esteemed. He was well qualified to serve his newspaper here by reason of his natural gift for establishing friendly relations with all nationalities. It seems altogether anomalous that he should have been made the victim of a senseless outbreak of passion, for his good nature and quiet humour ought to have protected him against personal enmity of any kind. The Chinese authorities have acted swiftly in signaling their displeasure at the occurrence. It is suggested that agitation over the proposal to reopen the Japanese consulate at Chengtu was responsible for the turbulence which directly caused the murders. There can be no excuse for thus inflaming public opinion over a matter which was being appropriately handled in diplomatic discussion. Chengtu is not a treaty port but it has had British, French and German consular representatives so far back as 1912, the view being taken that as the headquarters of a provincial administration it was convenient to have foreign consuls available on the spot although the arrangement was facilitated by a diplomatic fiction which treated the consuls in question as if they were resident at Chungking. The Japanese Government, so far as can be judged, followed the example of the other Powers and appointed their consul somewhere about 1910. It was not until 1932, when anti-Japanese feeling made the precaution necessary, that

he was temporarily withdrawn. It is to be hoped that, in view of the circumstances, a friendly solution of the difficulty will not be long delayed.

BIRTHDAY OF CONFUCIUS

The anniversary of the birth of Confucius, the great Chinese philosopher, who lived in the sixth century before Christ was duly observed in China. Suitable celebrations were held and Government offices closed. It was also a Bank Holiday observed by the Shanghai Foreign Exchange Bankers' Association in substitution for another Bank Holiday, such as the first Monday in August, which has been observed chiefly through the influence of British banks and is still the great holiday in England. As a business arrangement, of course, it is very convenient to co-ordinate Chinese and foreign holidays in order to avoid duplications and complications but the student of Confucius might cynically observe that he despised the money changers as thoroughly as the founder of the Christian faith although Confucius never claimed divinity. But times have changed and great economic principles which Confucius never appreciated are now holding sway even in the observance of his birthday. Perhaps the time has arrived when spiritual forces are deemed superior to mammon—although the great philosopher never scorned indulgence in athletics and recreation for which a day's holiday provides ample opportunity.

WASHINGTON AND MOSCOW

Dr. C. T. Wang's return to the harness of diplomacy will be cordially welcomed. He was a vigorous Foreign Minister and the unfortunate termination of his tenure of office won sympathy for him. He has also acquired enhanced respect by the dignified manner of his acceptance of that political rebuff and his activities in the promotion of cultural re-

lationships by means of Rotary International and the Pan-Pacific Association have valuably mitigated the loss of his services in diplomatic life. In succeeding Dr. Alfred Sze he has no easy task for Dr. Sze has been remarkably successful at Washington. Nevertheless there is every reason to believe that Dr. Wang, as a graduate of Yale, apart from his other qualifications will be able to make good contribution to the cause of Sino-American friendship. By a coincidence almost synchronizes with the appointment to Moscow of Mr. Manoru Shigemitsu who was Japan's Minister to China when Dr. Wang presided over the Waichiao. Mr. Shigemitsu, as a firm friend of this country, will take with him to Moscow as Dr. Wang does to Washington the good wishes of many people in China.

KULING-NANKING

In past years certain important members of the Government have made Kuling their recognized headquarters in refuge from Nanking's summer heat. This year the ministries as a whole have formally transferred themselves to Kuling which may be said to have acquired the status of China's Hill Capital. Now with the "End of the Great Heat" duly passed on the calendar the scene of official activity is again Nanking. In so establishing summer headquarters, the Government is following well-esteemed precedents elsewhere and they have the further justification in the knowledge that experience shows economical advantages in giving staffs the opportunity to avoid the extreme rigours of the heat. Unfortunately other forms of labour, intellectual or the reverse, are tied to the plains and cannot so to speak the empyrean. Judges have to distinguish between the grain and the chaff of learned counsel, merchants have to devise means for stirring the stagnant currents of trade and journalists have to make bricks without straw, in the same low level as is assigned to them all the year round. They endeavour to stifle the feeling of envy at the more spacious opportunities afforded the hardworking government official. They may be helped by the thought that he does not have their excuse for a health-giving holiday and that twice in a year he has to endure the horrible tortures of packing and unpacking his office files.

DAME ADELAIDE

A great lady has completed a life of solid usefulness to her generation in the death of Dame Adelaide Anderson. China knew her well and has reason to be grateful to her for labours undertaken at a time when she could have justly demanded leisure. Four times she came to give China the benefit of her ripe experience in the advancement of factory inspection. Shanghai, in particular, owes her much on that account. Indeed her first appearance here in 1923 was directly due to the invitation of the Shanghai Municipal Council which desired her acceptance of membership of its Commission on Child Labour. Hers was in a real sense a pioneer career, for she came from her native Australia to graduate at Gorton in the year of Queen Victoria's Golden Jubilee (1887). Appointed to the Home Office she devoted twenty-four years of her life to the study of factory conditions as an Inspector of Factories and her influence on the industrial progress of her time has therefore been considerable. She has left on permanent record her experiences in "Women in the Factory, an Administrative Adventure, 1893 to 1921"—a fascinating personal document and a real contribution to social history.

A GOOD PERFORMANCE

Kho Sin-kie's development of his form is eloquently revealed in his admirable achievement at Lucerne. Reaching the final of the singles in the international tournament, he was able to extend the Italian Davis Cup player to five sets before yielding the match. Stefani was ranked as No. 9 in the world's first ten in 1934, his defeat of F. J. Perry in the French Championship that year being one of his successes. Partnering his victor, Kho Sin-kie proceeded to win the doubles by defeating G. P. Hughes and D. W. Butler. Hughes is England's Davis Cup representative and with C. R. D. Tuckey holds the Wimbledon Doubles Championship. D. W. Butler is not in the same flight but is nevertheless a player of repute for he reached the fourth round of the Wimbledon Singles this year only to be defeated by A. K. Quist 6-3, 7-5, 9-7.

CHINESE POLITICS

GEN. CHIANG'S SCHEME FOR THE SOUTH

Foreign Interests May Share Benefits of New Changes in District: No Difficulties from "Bad Politics"

Canton, Aug. 30. FOREIGN interests will share the benefits of the vast political changes being wrought in the Southwest, Gen. Chiang Kai-shek to-day assured Mr. John R. Morris, Far Eastern Manager of the United Press Associations, in an exclusive interview concerning the course of reconstruction in this part of the nation.

Questioned at his headquarters in the Whampoa Military Academy, where he is personally directing the reconstruction of Kwangtung Province and the political and military manoeuvres designed to restore Kwangsi Province to the national fold, the Generalissimo asked the United Press to convey a friendly message to all foreign peoples willing to treat China as the "good neighbour" she desires to be.

"As a result of the assertion of the complete authority of the Central Government over Kwangtung Province," the Generalissimo declared, "foreign governments may engage in friendly intercourse with this area, and with the Central Government as the organ of a united nation, all the former inconvenience of dealing with purely local authorities may be avoided. Private foreign interests will also receive protection by the operation of a unified central authority, and will not again be affected by bad politics."

Questioned regarding the prospects of bringing about a similar change in Kwangsi Province, where rebellious military leaders are now threatening to launch a civil war immediately, Gen. Chiang indicated that he had not yet despaired of the hope of reaching a peaceful settlement, entirely as bloodless as the victory signalized in Kwangtung last month.

"I believe that by the influence of popular opinion, the Central Government's programme will be made effective," he told his interviewer.

Foreigners surprised by the Job-like patience of the Central Government, exhibited even while the Kwangsi military chieftains have moved their armies and raided various points in Kwangtung province while at the same time erecting formidable batteries on the West River, fail to appreciate the force of public opinion which would condemn General Chiang if he sent superior forces to overwhelm and crush Kwangsi before the last hope of peace was exhausted, Mr. Morris reported. The same opinion, however, might turn the tide against the Kwangsi leaders if the latter ultimately reject the terms offered them by the Central Government and which are generally considered generous and just.

Peace Efforts Continue

The Generalissimo's efforts to negotiate an agreement with the military of Gen. Li Tsung-jen, erstwhile Pacification Commissioner of Kwangsi and Gen. Pai Chung-hsi, deputy commander-in-chief of the Kwangsi military forces, are continuing, in spite of reliable reports that the Kwangsi troops are already operating inside the borders of Kwangtung province and threatening a number of points, including the important seaport of Pakhoi.

Well-informed observers, however, realize that the situation is fast approaching a point where not even the most pacifist element would reproach Nanking for the employment of military force to establish authority in the region of Kwangsi's rugged mountains.

The Government's Programme

"The fundamental bases of the Government's programme of reconstruction for Kwangtung and Kwangsi," the Generalissimo told Mr. Morris, "is, first of all, the emancipation of the suffering populace; secondly, the relief of the soldiers still oppressed by the militarists; and, thirdly, the unification of both the civil and military administrations of the two Southwestern provinces under the control of the Central Government."

"After the solution of the problem of the 'two Kwangs' is achieved, the next steps in the unification programme will be the development of national communications, the encouragement of production and the reconstruction and expansion of national education with a view to making China a truly modern nation."

Although the immediate concern of the Generalissimo is the military problem which the defiant Kwangsi military chieftains have created, he is also thinking of the benefits which peace and good government will bring to the people of the Southwest. General Chiang's eyes lighted with the most intense interest displayed throughout the interview when he said, "When the political situation is stabilized, the expansion of trade will know no limit."

In discussing China's relations with her "good neighbours"—and it was obvious that the Generalissimo considers the United States rather bound to, than separated from, China by the Pacific ocean—he mentioned the 250 students from many provinces of China who have been departing from Shanghai in recent weeks for study



Gen. Chiang Kai-shek

in foreign universities, mostly American institutions. The alumni of American and other universities play important roles in modern China, it was pointed out. Madame Chiang Kai-shek herself is a graduate of Wellesley College; Dr. H. H. Kung of Oberlin College and Yale University; Mr. T. L. Soong, Kwangtung's new Finance Commissioner, of Vanderbilt University; and another leader in the new order in the Southwest, Gen. Hung Mu-sung, Governor of Kwangtung province, is also the graduate of an American university.

The Generalissimo made it clear that he recognizes the value of American training, but he warned: "The students going abroad should discover what knowledge is most lacking and most needed in China, and then do their utmost to bring back that type of knowledge. In my opinion, practical knowledge is more important than mere theory. During their sojourn abroad it is especially important that our students give attention to the building of character and morality."—United Press.

RECLAMATION PLAN FOR KIANGSU

230-Mile Irrigation Canal: 130 Miles River Dykes

Chinkiang, Aug. 27. A five-year plan for the reclamation of 33,000,000 mow of arid land in Nantung, Yencheng, Lienshui, and other districts along the Kiangsu coast has been mapped out by the Kiangsu Provincial Government. For the execution of the project, the provincial government will raise a total of \$100,000,000 from Shanghai banks at different periods.

A new canal, measuring about 700 li, will start from Chenchikien, in Lienshui, and end at Chohsiehchen, in Nantung, passing through Foning, Yencheng, Tunglai, and Yukao. To protect the land from the sea, a gigantic dyke will be constructed from Kolsiehchen to Chenchikien, measuring more than 400 li. Conservancy work will also be done to the inlets along the coast to facilitate shipping.

Reclamation work will be carried out in five years. It is expected that up to the fifth year the profit reaped from the reclaimed land will be up to \$130,000,000, which will be enough to repay the total loans.—Central News.

ANOTHER SETBACK FOR SOUTHWEST

Fierce Fighting Breaks Out on Kwangtung Border

Canton, Aug. 25. In order to avoid misunderstandings between Kwangtung and Kwangsi troops while hopes for a peaceful solution of the Kwangsi situation have not yet been abandoned, Gen. Chiang Kai-shek has ordered the withdrawal of Kwangtung forces from regions close to the Kwangsi border.—Central News.

Skirmishing Reported

Canton, Aug. 25. Minor skirmishes between advancing Kwangsi troops and Central Government forces were reported over a wide front to-day. Forty thousand men under Gen. Chou Tsu-kuang, and the hastily reorganized remnants of the Nineteenth Route Army are said to be moving along three different routes.—Domei.

Roar of Gunfire

Canton, Aug. 28. The roar of gunfire to-day shattered hopes for a peaceful settlement of the differences between Kwangsi and the Central authorities. Fighting broke out in earnest along the banks of the West river and points south.

Fierce battles started in Fungchung, Takking, Loting, Hsinyi, and Maoming, all on the western border of the frontier, this morning, and were still in progress early this afternoon. Areas west of Leichow peninsula have been occupied by Kwangsi militia. Kwangsi troops, about 100,000 strong, composed of the Seventh Army, led by Gen. Liao Lei, the Fifteenth Army, headed by Gen. Hsia Wei, and units of the former Nineteenth Route Army, early on Wednesday crossed the Kwangtung borders from three directions.

Gen. Chiang Kai-shek is understood to have sent three Kwangtung divisions to the southwestern part of the province, while the Ninth Division of the Nanking forces, stationed in Fukien Province, is expected to leave by ship for Peihai to-day or to-morrow. Six bombers, personally commanded by Gen. Lin Wei-chou, formerly commander of the Kwangsi Aviation Corps and now head of the Second Corps of the Central Aviation Forces, made an aerial attack on Nanning on Tuesday. Gen. Li Tsung-jen, who has been in the claimed martial law in the city, while the provincial government offices and the headquarters of the Fourth Route Army were removed to Wuming, a natural stronghold north of the Kwangsi capital.

Gen. Chiang's Patience

Canton, Aug. 30. No further advance has been made by the Kwangsi troops after their occupation of Linkeung, Hoppo (Linchow), Lingshan, and Pakhoi. Owing to the previous withdrawal of the Kwangtung troops, no fighting occurred in the above-mentioned localities.

Gen. Chiang Kai-shek has telegraphed Generals Li Tsung-jen and Pai Chung-hsi to withdraw the Kwangsi troops from Kwangtung Province, pointing out that he has not ordered the Central Government and Kwangtung troops to press on the invaders. An amicable settlement of the Kwangsi trouble is still anticipated.—Kuo Min.

Occupation of Pakhoi Denied

Shameen, Aug. 30. A high Kwangtung military officer to-day denied reports that Kwangsi forces had occupied Pakhoi. Previous reports asserted that Gen. Oung Chao-yuan, commander of the Woonung Forts in 1932, entered Pakhoi without resistance yesterday.—United Press.

Govt. Still Hopeful

Hongkong, Aug. 31. Despite the unwavering defiance of the Kwangsi warlords, General Chiang Kai-shek is still endeavouring to effect a settlement of the Kwangsi situation without bloodshed.

The Generalissimo, according to well-informed quarters here, is sending Dr. Wang Chung-hui, the noted jurist, to Nanning by air to-day to negotiate on his behalf.

Meanwhile the Kwangsi leaders are stated to have wired Dr. Wang extending him a warm welcome.

It is reliably reported that Kwangsi troops have attempted to advance on Linkeung, in the south-westernmost corner of Kwangtung, but have been driven back by Government forces.—Reuter.

Chen Chi-Tang Off

Hongkong, Aug. 31. Reiterating his desire to assist in a national campaign "to resist Japanese aggression against China," Gen. Chen Chi-tang, former Pacification Commissioner of Kwangtung Province, sailed for Europe aboard the Italian s.s. Conte Verde last night.—United Press.

ANTI-FOREIGNISM SUPPRESSION

National Government Issues Another Mandate

Nanking, Aug. 29. The National Government issued a mandate here to-day which reiterated the Government's determination to suppress anti-foreignism. Expressing a desire to maintain friendly relations with other nations, the mandate mentioned the Chengtu incident as highly disagreeable to the Government.

The Waichiaopu to-day confirmed reports that the attack on the four Japanese at Chengtu was entirely unprovoked, labelling as untrue other reports which stated that the Japanese had attempted to interfere with a mass meeting before being attacked.—United Press.

TRAINING INCOME TAX COLLECTORS

250 Candidates in Nanking for Examination

Two hundred and fifty candidates sat at Nanking on Aug. 28 for the competitive examination for the

Nanking Tells Embassies of Income Tax

Nanking, Aug. 31. Identical notes have been forwarded by the Ministry of Foreign Affairs to the various foreign Embassies and Legations in China, requesting them to advise their respective nationals resident in this country, to conform to the Chinese law in payment of Income Tax, which will formally be enforced on October 1, according to information from the Waichiaopu to-day. The direct levy, it will be remembered, will first be imposed on incomes of salary earners and interest from bank deposits and bonds, while that on the other categories will not be collected until next January 1.—Central News.

According to Reuter, the notes explain that foreign diplomats are exempt from payment of the tax, as well as foreign nationals who have resided in China for less than one year. In addition, no tax is to be paid on income not earned in China. Otherwise, the Notes add, foreign nationals in China must pay income tax the same as Chinese citizens.

selection of men to be trained as income tax collectors. The examination was held at the University of Nanking under the auspices of the Central Preparatory Office for Direct Taxation of the Ministry of Finance, according to Kuo Min.

In an address to the candidates, Mr. Kao Ping-fang, Director of the Revenue Department of the Ministry of Finance and concurrently Chairman of the Central Preparatory Office for Direct Taxation, said that the enforcement of direct taxation is the first step in the readjustment of the national system of taxation. To eliminate corruption in tax collection and enhance the efficiency of tax collectors, the Ministry of Finance decided to hold the examination in order to select and train a competent number of college graduates for the work.

AGITATION AGAINST YIN JU-KENG

Nanking, Aug. 27. The anti-Yin Ju-keng campaign, started by the people of Shihho district, in East Hopei, is spreading like wildfire in the demilitarized zone, especially at Tushan, Hsing-lung, and Malanyu, where the people are up in arms against the self-styled head of the East Hopei autonomous regime. A self-defence army is being secretly organized at Shihho, and circulars have been issued, bitterly denouncing Yin's alleged treacherous actions.

Alarmed by the situation, Yin Ju-keng, it is said, has gone to Tientsin, to appeal to Lieut.-Gen. K. Tashiro, Commandant of the Japanese Garrison, for assistance.—Central News.

PALACE MUSEUM JADE STILL MISSING

Peiping, Aug. 29. While the recent theft case of the Peiping Palace Museum is still unresolved, another case has been reported. A piece of green jade was found missing yesterday. A telegraphic report to this effect is learned to have been sent to Prof. Ma Heng, director of the Museum, who is now in Nanking.—Central News.

JAPANESE CAPITAL FOR CHINA

Formation of Huge Financing Syndicate Urged

Osaka, Aug. 25. Japanese industrialists should invest much more capital in North China than they are doing to-day is the opinion of Mr. Kazuo Kuwajima, director of the Bureau of East Asiatic Affairs of the Foreign Office. "It is not sufficient to establish new cotton mills," he said. "For instance, they should form a huge financing syndicate, or carry out some other concrete project."

Mr. Kuwajima denied that the formation of a company for the development of cotton cultivation in North China was being contemplated. "Japan now is confronted with the task of developing North China economically," he said. "The means used are immaterial. We can invest singly, or jointly with the Chinese, but the essential thing is to secure a source of raw material for Japan's industries. It is unnecessary for me to emphasize the need of developing North China's cotton crop to provide a source of raw material for the mills of Japan and China."

Fortunately, we find China is looking hopefully upon the development of cotton cultivation as a means of effecting national salvation. I believe a consistent effort should be made to bring this sentiment to fruition. We are not out to exploit China, but to help her farmers, and, simultaneously, help ourselves by acquiring a source of raw material."—Domei.

TIENTSIN CUSTOMS INCIDENT

Japanese Consul Protests at Sugar Seizure

Tientsin, Aug. 27. A minor fracas occurred here to-day between Chinese police and Customs officials and a group of men who attempted to obstruct the removal of smuggled goods, consisting of 2,000 bags of sugar. This cargo, stored in Peimalu, in the Chinese city, had been seized by the Customs, but when Chinese police and Customs officials drove up in eight trucks to remove the bags, a crowd of rowdies intervened.

Eventually, however, the goods were safely removed to the Customs.—Reuter.

Tientsin, Aug. 28. The Japanese Consular authorities here have protested against the seizure of a consignment of sugar, which was removed by Customs officials and police from a warehouse in the Chinese City yesterday, on the ground that it had been smuggled into Tientsin. The Japanese contend that, in seizing the consignment, the Customs and Chinese police ignored the extraterritorial rights of the Japanese owners.

Following the protest, the Chinese police guard which was placed at the godown has been withdrawn, and the police authorities have tendered an apology.—Reuter.

JAPANESE ADVISERS SENT TO CHINA

Military, Political, Financial and Economic

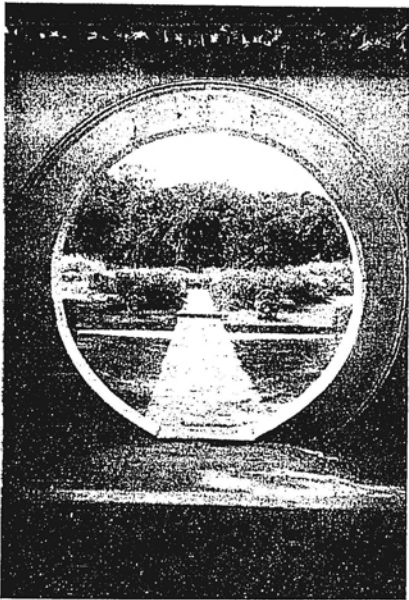
Peiping, Aug. 28. Two Japanese military advisers have been attached to the 29th Army, stated Major Imai, Military Attaché, this morning, during an interview with foreign correspondents. Asked if their purpose was the japonification of the 29th Army, the Major replied that they were not in a position of control, but were advisers and received orders from the Hopei and Chahar Council.

Major Imai further said Mr. Nishida, a former consul-general in Tientsin, was an adviser on foreign affairs, and Mr. Nagai, formerly in Manchoukou, was adviser on financial and economic affairs. Mr. Nishida was not only advising on Sino-Japanese affairs, but on diplomatic affairs generally.—Reuter.

With a view to cutting down expenses, the Peiping-Liaoning Railway Administration has decided to reduce its staff by a quarter. Those to be discharged will be announced next month.

Dr. H. H. Kung, Minister of Finance, and Mr. Chew Chi-jou, have been designated for the posts as chairman of the Standing Committee and chief executive member of the new China Aviation Reconstruction Association respectively by General Chiang Kai-shek, Chairman of the Association.

Our "Snapshots" Competition



"The Ever Open Door" RAMSEE



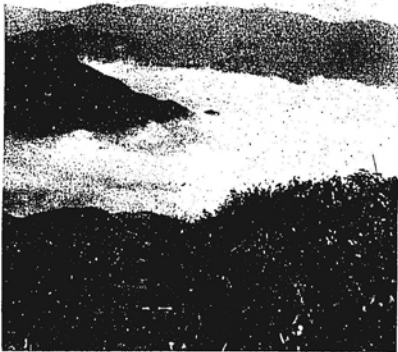
"Busybody" MARK J. GINSBOURG



"Christmas Morn at Zakow" OTIS A. STOKER



"Fuji from Lake Hakone" YVONNE LEVIE



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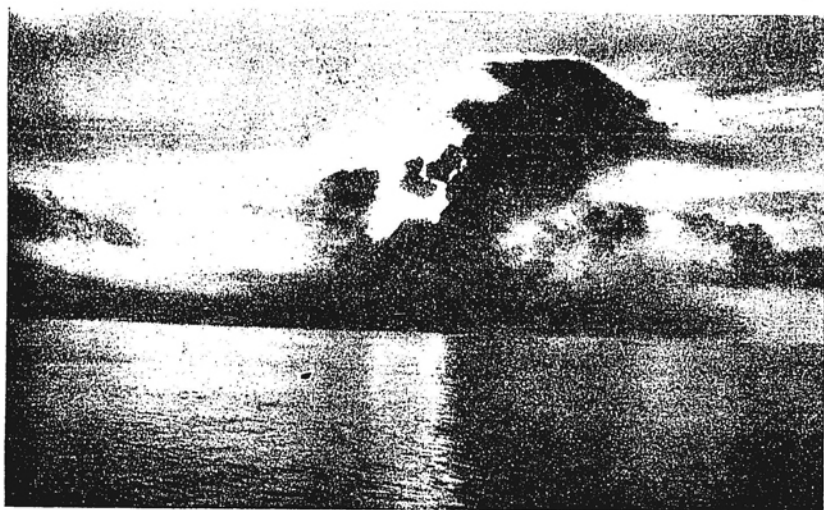
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MACIAN



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KWANGSI'S CHOICE

Aug. 27.

General Chiang Kai-shek seems to have been rewarded for his patience and conciliatory attitude toward the two Kwangsi generals. He has not met defiance with threats, but rather by an appeal to reason, allowing the strength of his material position to speak for itself. No doubt, the situation was complicated by the interpretations placed on the sudden variation of the Plenary Session's plans for the two leaders. General Chiang Kai-shek must have felt some personal embarrassment in that the announcement of the new posts offered to them—albeit made with the best intentions—gave rise to the suggestion that the executive was attempting to override the considered decision of the properly constituted party organ. It may now be surmised that General Chiang Kai-shek, appreciating the qualities of the two leaders, sincerely desired to afford them scope for further service to China and yet to solve the difficulty of permitting the simulacrum of the warlord system to continue in Kwangsi. Public opinion generally was not prepared to view the matter in that, perhaps, progressive mood. Old habits persist and it was widely suspected that General Chiang Kai-shek—and the colleagues who supported him—were well aware that the Chekiang post could no more be assumed by General Pai Chung-hsi than the high place on the National Military Council by General Li Tsung-jen. It was roundly averred that an error of judgment had been committed. Without stultifying himself or in any way receding from the position that a *bona fide* offer had been made, General Chiang Kai-shek quietly faced the threat of resistance in Kwangsi. He knew, of course, that the big battalions were on his side, but he also realized the seriousness of a situation which compelled him to apply that argument. In making his dramatic re-appearance in Kwangtung after ten years' absence, he was anxious to avoid external complications of the already complicated problem of restoring Kwangtung's currency and financial equilibrium. Hostilities with Kwangsi might have interposed an unwelcome obstacle to the Central Government's proposed measures of relief, which will apparently include the issue of a domestic loan.

As soon as he arrived in Kwangtung General Chiang Kai-shek made it clear that he was ready to advise the Central Government to show the utmost consideration for the views of the two leaders. His position was by no means easy for, frankly, General Pai Chung-hsi, at least, made no secret of a bitter personal animosity inspired by memories of his former association with the Generalissimo. On all grounds it is regrettable that so able an administrator and soldier as General Pai Chung-hsi should not be able to overcome his sense of grievance. The world over, jealousy and affronted amour propre become awkward luxuries if too freely indulged by the aspiring statesman or politician. Opinions often differ regarding the merits of men and measures, but the verdict of the event has frequently to be accepted without more than a passing sigh of regret for the perversity of human destiny. However that may be, both General Li Tsung-jen and General Pai Chung-hsi command even from their critics the respect due to men who have more interest in the efficient performance of their duty than in their personal enrichment. This quality has been generously recognized by General Chiang Kai-shek in the considerate treatment accorded to their wishes. The compromise which has, it is understood, been reached with every prospect of acceptance involves the retention of General

Li Tsung-jen in Kwangsi and the delegation of General Pai Chung-hsi on a temporary mission overseas. General Feng Yu-shiang and General Ho Chien, the Governor of Hunan, have lent their good offices to the reconciliation. They have done well and the Generalissimo has once again shown his capacity for realist treatment of a situation and his large-minded disregard of petty notions of prestige. He is the bigger man for having used his strength sparingly.

With the Kwangsi problem on the way to solution, the Central Government can now turn to the important task of preparing the ground for the forthcoming session of the National People's Congress which has to ratify the draft constitution. General Chiang Kai-shek is believed to be impressed by the need for making the occasion of real value to the Government's relations with the country. He has already made tentative efforts to give the administration a broader basis. In particular, the association of a few non-political business men with certain commercial departments has been a marked success. Of General Chiang Kai-shek's personality there is no need to speak: it has written itself large on the current history of China. Every-one hopes that it will continue to be available to complete the work which has been so well begun and so forcefully tackled. Yet there is some disquiet lest too heavy a burden be thrown on the Generalissimo's admittedly capacious shoulders. He is credited with the intention to endeavour—even if it entails ignoring party labels—to bring into the Government new blood and definitely approved capacity. He has consistently disclaimed the desire to assume the rôle of dictator, although in many emergencies he has been compelled to exercise quasi-dictatorial powers. His attitude is wise, for whatever may be the needs of other countries, China is not likely to be best served by a system which depends for its stability so exclusively on the strength, health and—absent omen—existence of one man. Admirers of General Chiang Kai-shek would feel happier if he could be relieved of anxiety for the fate of the administration and of the achievements which it has managed to record, in the event of his disappearance from the scene. The fervent wish that the contingency may be remote is not incompatible with prudent provision for a situation which might otherwise be fraught with great danger. General Chiang Kai-shek, as the chief figure in a Central Government which is more truly a Central Government of China than any in the twenty-five years of the Republic's troubled history, has now an opportunity of consolidating—ay enhancing—his reputation by preparing the ground for an administration really representative of the best talents available for service to the people of China.

HOPES IN THE SOUTH

Sept. 1.

General Chiang Kai-shek permitted himself the luxury of optimism in discussing the trend of affairs in the South with the special correspondent of the United Press Association. Naturally the interview was mainly concerned with foreign—particularly American—opinion. The trader was told that he could expect improved conditions in Kwangtung to emerge from the reorganization now proceeding under the supervision of the Central Government and the eye of the Generalissimo. Therein General Chiang Kai-shek unmistakably showed that he was well aware of the manner in which the former authorities in Kwangtung had attempted to carry out their policy of encouraging indigenous industries. Grossly discriminatory measures to the prejudice of foreign enterprise had been devised and applied. The benefits accruing to domestic industries were small, the damage done to the revenues of the Central Government was rapidly increasing, the private fortunes of certain privileged individuals were swelling at the expense of the unhappy people of Kwangtung. No doubt General Chiang Kai-shek feels that the Central Government's satisfaction at being able to assert its authority in Kwangtung is miti-

gated by the knowledge that political expediency prevents any attempt to recover for China some of those large balances which have been diverted into unauthorized channels. The mere fact that unsavoury precedents exist to justify inaction is not of itself consolatory. However, General Chiang Kai-shek and his colleagues have taken prompt steps to put Kwangtung's finances in order. The task is formidable and will probably demand direct assistance from the Central Government. If it be tackled in the spirit informing General Chiang Kai-shek's statement of policy the result should not be in doubt.

Rightly the Generalissimo insisted on the patience which had been exercised in dealing with Kwangsi. It is to be hoped that reports of the two Generals' intentions to recognize the generosity of the Central Government's attitude are well founded. There will be ready acceptance of the view that if such recognition is not forthcoming, the Kwangsi leaders will clearly forfeit all claims to the widespread sympathy which has been expressed on their behalf. General Chiang Kai-shek has been astonishingly forbearing, but, as he has pointed out, he has felt acutely the need to go to the furthest possible limits in avoidance of civil war or punitive action, because of the strong public desire for national unity—to say nothing of the financial implications of the crisis. Fortunately there is ground for the belief that the Kwangsi leaders' position has deteriorated so they have practical reasons for accepting the generosity of the Central Government. General Chiang Kai-shek has decided to remain in Kwangtung for some time in order to give personal attention to the initiatory stages of the reorganization. Before long however the requirements of the general situation will demand his return to Nanking, especially if current reports of developments in the North are correct. The holding of the People's National Congress in November must certainly set a term to his sojourn in the South. He may be expected therefore to take steps to ensure the firm establishment of the new régime as rapidly as possible. Much depends on the personalities and experience of the selected administrators. If they can faithfully observe the prescriptions of the New Life programme Kwangtung's hope of recovery will not be disappointed.

General Chiang Kai-shek is fully aware that responsible foreign opinion—including those important commercial interests which trade with China—is primarily concerned with the creation of confidence in the administration—provincial and Central—for it is recognized that with confidence comes stability and trade based on stable conditions has more chance of developing on profitable lines than precariously poised adventures which take big and quick profits before some untoward disturbance comes to shatter expectations and destroy relationships. Moreover foreign trade cannot fulfil the requirements of sound financial and economic principles, unless it be directed on the reciprocal plan. Just as the stimulation of domestic industries by discrimination against foreign enterprise is unhealthy and doomed to disaster in the long run, so foreign trading which disregards the interests of the people of the country and the legitimate aspirations of their merchants, cannot be viewed with favour by responsible statesmen. The Government of China, in recent months, has proceeded a long way on the road to national unity and to the establishment of machinery whereby the process of reconstruction can be taken in hand. The Constitution is to come before the country for final approval. China's financial credit has received new recognition abroad, partly on account of the practical steps taken by the Finance and Railway Ministries to restore bondholders' confidence, albeit at a considerable sacrifice to them. This advance, the Government will no doubt seek to consolidate. The task demands the adoption of specific measures to provide for continuity of policy and the consequent establishment of confidence on safe lines. General Chiang Kai-shek's express determination to develop public support of the administration is a hopeful augury. He will thus create the

conditions which may be calculated to give the strongest and healthiest impetus to that trade revival of his dreams. The moment world opinion perceives that the Government of China is buttressed against the accidents of personal politics and so enabled to move consistently on the basis of accepted obligations, then there will be a marked improvement in the confidence necessary to the successful solution of the country's economic, industrial and commercial problems. More-over willing and wholehearted co-operation in the plans which the Government proposes will be forthcoming.

LAND VALUES

Aug. 31.

In spite of much vehemence in the use of epithet and the underlining of argument, there is a clear measure of agreement among the disputants who have so eloquently stated their views on the present depressed condition of the land market in Shanghai. Shanghai has felt the slump in land values as a special feature of its reaction to the economic depression, because for various reasons Shanghai's commercial prosperity has been based on a land standard. Land mortgages have been most valuable instruments of credit and, as time passed, the public were apt to overlook the conditions which justified their use in that sense. Boom years tended still further to obscure the issue. Speculators gaily making hay while the sun shone, were the last to give thought to the bases of the land standard. The game of passing property from hand to hand—each movement a rise in mow value, each mow a potential diamond mine—was so absorbing that no-one troubled to bother about writings in the wall and inconvenient death's heads at "Majestic" feasts. Wisdom after the event may titillate a sense of superiority by pointing out the errors committed, when the possession of a superabundance of silver landed Shanghai between 1928 and 1931 to go in for land "in a big way." Mr. W. Y. Lin has drawn the picture vividly but not unfairly:

The stimulus to business activities imparted by the added silver reserves and the easy money conditions to which it gave rise were greatly reinforced by the unscrupulously high rate of deposit interest offered by certain banks and by the indiscriminate expansion of advances in certain doubtful directions. The founding of real estate companies to promote the flotation of land shares and the sales of real estates, the practice of granting liberal advances against the mortgages and title deeds, the extensive loans and overdrafts against equipments and industrial sites, making possible the provision of long-term industrial capital from the commercial banks rather than from the capital market were but a few instances in which some of the banks have departed seriously from the tested principles of sound banking.

It was a glamorous orgy while it lasted. Now the splitting headache has come, the glamour has gone and it is not to be wondered at that tempers are frayed. Unfortunately for the purist in the melting out of equity, it is not possible to distinguish between the delinquents and the innocent upholders of rectitude. The depression, like the rain, falls on just and unjust alike. "We are all in it!"—as the complacent snob remarked in another connection. Shanghai should make the best of it, pool brains and forget grievances.

The fatal ease with which the purchase of land was encouraged was due in part to the inherent defects of the situation. Business enterprise faltered before the insecurity and evident deterioration of the economic condition of China generally. It could not accept responsibility for undertakings requiring skilled staff and commanding profits which justified larger loans. Land transactions showed the way out. Then when the drain of silver set in 1934, the significance of the predicament began to show itself. Over-expansion of credit for real estate transactions had produced conditions of which the result of the large land auction last week is the latest index. Sometimes harsh words brace a patient to the mood which gives remedial treatment a chance. That thought may animate the correspondent who has force-

fully demanded that, with the "boom bubble pricked," losses should be "swallowed" with a good grace so that the market may get down to realities. There is something to be said for that view, but it does not seem sufficiently to take into account the fact that the process of adjustment is actually at work and that it were better for it to be gradual in operation so long as it can and then leave the more drastic treatment to be automatically applied in the final removal of dead wood. There is obviously a temptation to prophesy: by declaring that values will or will not recover to a certain figure or will find an even lower norm than that suggested by current events. The temptation should be resisted. Perhaps the problem may be stated by pointing out that, during the period of the boom and the subsequent slump, certain political and other conditions have been independently operating to make radical alterations in the very basis of land values. The loss of virtue in the system of registration, the defects in the mortgage law, the improvement of conditions in the suburbs of Shanghai, the decline of international co-operation in the Settlement, have contributed to the general stagnation. Those who still hold on to land in the hope that their position may be miraculously relieved by some sudden upward leap of values are beginning to realize that they are clinging to the gossamer skirts of a unsubstantial spectre. They will have to let go and that adjustment will be the more readily facilitated.

This journal considers that the problem cannot be treated as exclusively involving the interests of any one section of the community. The genuine landholder or property owner deserves sympathetic consideration in so far as he is the victim of the speculation orgy which so artificially enhanced the value of land and put him in a false position. Yet he does not seem to have completely grasped the responsibilities which are his. Circumstances—the peculiar circumstances of Shanghai's physical and political growth—give him an advantage which he would not perhaps have elsewhere. He cannot be exposed to the ordinary commercial risks of competitive property development which have been so effective in other large cities in bringing down rents and tempering the economic wind to the shorn lamb. Rents have been reduced but it is common knowledge that even now the tenant is called upon to pay prices ridiculously incompatible with the services rendered. It may be argued that there moves the operation of the economic principle of supply and demand. The explanation is insufficient for there are other factors to which attention has been pointedly drawn by correspondents in these and columns elsewhere. A banker is not likely to be unduly hard on the property-owner, so let Mr. Chang Kia-ngau's words of eighteen months ago be quoted:

It is necessary to establish a sounder and more stable basis for the valuation of real estate, that is to say the price of land should bear a more definite relation to yield, which in turn should be in accordance with market interest rates. Furthermore rents must be related to the purchasing power of the community, so that houses may be occupied and rents may be paid. The fixing of reasonable rents, coupled with a more effective safeguard of estate owners' rights, would enable the latter to collect their rents with greater certainty. New building construction should not be undertaken merely because the land is undeveloped and the mortgagee is pressing for repayment.

It may be that the iconoclasts are right and the banks should bring matters to a head swiftly by exercising their powers of liquidation, but before such drastic remedies be applied it were surely wise to see whether ordinary practical teamwork in the face of a common danger cannot be invoked. To-day Shanghai presents the incongruity which sets excessively rented beside unoccupied premises. Housing is an acute problem, yet long lists of vacant sites and buildings confront the revenue authorities of the Settlement. No wonder the Council feels that the problem demands the attention of a special committee! That committee cannot even think of prescribing a solution until it

has got down to bedrock and defined the economic and social attributes of the problem itself. All classes are involved; whether they be the large industrial element in the population or the comparatively richer, but none-the-less heavily-distressed, middle class, Chinese or foreign. Property-owners have to face that situation and they will not be in the right mood if they persist in believing that by mystical juggling some of the careless rapture of the boom period can be retrieved, for their salvation.

NEUTRALITY

Aug. 29.

The Spanish crisis has produced vigorous argument on the merits and attributes of neutrality, especially in Great Britain. As this journal ventured to suggest some weeks ago the situation is comparable with that at the time of the French Revolution, when Pitt was driven against his will to ignore, and Charles James Fox stood alone in championing, the cause of neutrality. It matters not that Fox was a more fervent advocate of liberty and equality than Pitt. The two men agreed in condemning anything like a "crusade for ideals" in violation of England's neutrality. The British Government in support of M. Leon Blum, whose courageous handling of the situation evokes strong admiration, has taken measures to secure the neutrality of the nation during the course of the struggle within Spain. It cannot control the sentiments, or, except in certain conditions, the actions of individual British subjects. Nor can it direct the British press in the presentation of and comment on the Spanish news. Anxiety has intruded because, to many observers, it seems as if the discussion of the rival claims of Communism and Fascism were being crystallized in surveying events in Spain. This sensitiveness has led to a critical examination of the London newspapers and to an attempt at defining the methods of neutrality. There is no avoidance of partisanship in certain journals. The Rothermere and Beaverbrook organs, in their best flamboyant style, cheer on the insurgents, and do not hesitate occasionally to go almost as far as the egregious "Saturday Review" which, under the capricious thumb of Lady Houston, actually objects to the use of the term "loyalists" in application to the supporters of the *de jure* Spanish Government. No doubt newspapers are in a difficulty because this issue of neutrality has been so straitly raised.

Journalists, exercising their normal judgment in such a matter and under no obligation to posture with Lord Rothermere or gesticulate with Sir Walter Citrine, are disposed to treat the news "on its merits." That is to say, as soon as they perceived the gravity of the upheaval, they were inclined to bear in mind the possibility that the insurgents of to-day might be the Government of to-morrow. While giving the existing Spanish Government all the respect due to an administration having diplomatic contacts with other national administrations, these critics have not been able to disguise the significance of the many resignations in the Spanish diplomatic service abroad or of the fact that the insurgents are believed to dominate 31 of the provinces of Spain. The view is therefore taken that the strictly neutral writer would be just as wrong to call the insurgents "rebels"—at this moment—as Lady Houston is to deny the quality of loyalty to the Government's followers. It is to be hoped that this conception of neutrality as the proper attitude of British writers will develop. Nothing can be more harmful than such airy protestations of sympathy for one side or the other. It is recognized that so-called "left" opinion in England has long been in close touch and eager accord with the Spanish "Popular Front." That does not excuse responsible British Conservatives for brandishing their gratuitous solicitude on behalf of the Spanish Fascists. Mr. Campbell Black is an excellent airman but when he commits himself publicly to the view that he would like to bomb the Spanish loyalists from the Guadarramas he is doing credit neither to his intelligence nor to his country.

This journal has already referred at length to the danger of allowing British and French democracies to destroy themselves by raising the issue of Communism versus Fascism. Mr. Stanley Baldwin and M. Leon Blum, in their firm insistence on correct neutrality, have done well to guard against that danger. M. Blum has done more: he has just firmly rebuked one of his own supporters who took umbrage at the reception of Dr. Schacht. Mr. Baldwin has also to face the fact that British tolerance has allowed too strong a foothold to be obtained by Farist sympathizers in certain quarters in Great Britain. The Rothermere and Beaverbrook press earn contempt but they are not contemptible because they do exercise a certain amount of influence. Just now the fear of war evokes angry demands for an international endeavour to stop war. These demands overlook the systematic undermining of public opinion involved in the Rotherbrook campaign against the League. Instead of instructing their readers in the virility and remarkable achievement of Parliament in recent years, these peer-ridden organs set themselves out to mock at Westminster. A characteristic example may be cited: the "Daily Mirror," the other day, "splashed" for the benefit of its gulleible readers a lively account of the suspension of the Labour members who demonstrated against the Government's Unemployed Assistance regulations. It proceeded to bank on ignorance of history to argue that Parliament had thereby been brought to the lowest depths of degradation as compared with its glowing traditions of the past. The disturbances in the Gladstonian era, when the Irish adapted their methods to the rules of the House, the scandalous betrayal of public interests by the Parliament of the early Victorian years, the poverty of intelligence and weakness of oratory of that and previous Parliaments—were all forgotten. This crime of misleading the public will have to be firmly dealt with if British institutions are to be protected against the infectious maladies prevalent on the Continent.

A PIQUANT INTERLUDE

Aug. 26.

Over twelve years ago—on February 1, 1924 to be exact—the then British Government under Mr. Ramsay MacDonald recognized the Soviet Government. Less than a fortnight earlier, Vladimir Lenin, the father of the Soviet regime, had qualified for the apotheosis in the Red Square accorded to him by his admiringly grateful followers. Among his papers were found the notes which came to be known as his political will. They showed recognition of the danger of disunity after his death. Between Josef Stalin and Leon Trotsky lay differences which were destined to falsify the grandiloquent proclamation by the Communist Party on the morrow of Lenin's death:

Lenin is dead, but he lives on in the soul of each member of the party. Each member of the party is a particle of Lenin. Our entire Communist family is the collective incarnation of him.

Lenin's notes were more realist. They saw the need for increasing the membership of the Central Committee to 150 in order to prevent the threatened division arising from the rivalry of Stalin and Trotsky. That rivalry dated from 1919 and had been kept within bounds only by the exercise of Lenin's overriding authority. Stalin, as Secretary-General, had, wrote Lenin:

gathered into his hand an immense power, and I am not certain that he will always employ sufficient prudence in the exercise of it.

Trotsky was described as "not remarkable for very great ability" yet he

is the most capable man of the present Central Committee, but he is much too inclined to over-assurance and is, besides, attracted to the purely administrative side of affairs.

Stalin met the publication of these notes by an astute resignation which was promptly declined. He remained in office and the struggle between him and Trotsky became one-sided for behind Stalin rallied practically the whole party. Gregory Zinovieff and Leo Kameney,

were first opposed to Trotsky but in his formation of the New Opposition or NOP party, they joined him and their combination became known as the Troika. Trotsky and Zinovieff took the line that Communism could not be successful without a world-wide triumph. This was apparent in the frequent references by Zinovieff's public pronouncements to the need for stirring up revolution in capitalist countries. It will be remembered that the notorious Zinovieff letter dilated on that subject.

Nor is it without significance that Borodin's adventure in China took place at a time when Stalin's opposition to the theory had not found full expression; although he retorted in 1926 to the Troika's challenge by vaguely affirming that

we are in possession of the necessary data to make Socialism a reality by surmounting all internal difficulties, and we must and we can surmount them through our own resolution.

Zinovieff, as President of the Third International, was a powerful opponent but Stalin drove him out of the Political Bureau. In 1927 General Chiang Kai-shek's expulsion of the Borodin group revived Trotsky's opposition to Stalin. Demonstrations occurred on November 7, the tenth anniversary of the October Revolution, and on their account Trotsky was banished. Zinovieff and Kameney made their peace with the Dictator for the time being. At the fifteenth Congress of the Communist Party in December 1927, Stalin's complete triumph was recognized. Trotsky in exile wrote his now famous history and accused Stalin of having sacrificed the future of world revolution to a national opportunism. Stalin consolidated his position so that, at the Sixteenth Congress in May 1930, he launched the Five Year plan and started on the campaign for the economic reconstruction of the country by co-operative socialism.

It will be seen that of the eight members associated with Lenin in the original Political Bureau—which since 1928 has been composed of five members—no less than five are either dead or in exile under sentence of death: Trotsky, Tomsy, Rykoff, Kameney and Zinovieff. It may be assumed that, in spite of his disclaimer, Trotsky from his vantage ground outside Russia will continue to carry on his campaign against Stalin. The outcome of the recent trial should, however, considerably strengthen the Dictator's position for the immediate future, whatever may be the impressions made on other countries. Bukharin, who has constantly changed his allegiance and made his peace with Stalin for the last time when he was reappointed editor of the "Pravda," has apparently again fallen into disgrace. In the same plight may be his colleague, Karl Radek, who has for long held the position of foremost journalist of the Soviet regime. To the outsider there seems to be a logical link between Stalin's stand against the Trotsky policy and Soviet Russia's later diplomatic needs. Adherence to the League of Nations, recognition by other Powers and co-operation in the preservation of world-peace, to which M. Litvinoff has given such eloquent lip service, are clearly incompatible with the avowed policy of endeavouring to spread the Bolshevik revolution through the world. Just now, events in Spain have acutely raised the issue of non-interference in the internal affairs of foreign nations. The Moscow Court's refusal to permit attacks on Nazi Germany contrasts strongly with the attitude of the Court in the trial of the British engineers. Moreover, Stalin's scheme of economic reconstruction demands concentration on domestic problems. It is true that he is apparently proving the accuracy of Trotsky's theory that Communism cannot be effectively worked in a single state surrounded by economic polities of another kind, for, as his plans progress, the shedding of Communist principles becomes plain. How far, under the surface, the old propaganda efforts are active it is not possible to ascertain. The Third International may be quiescent but its machinery exists. Although the apprehensions of British and Belgian trade unionists may be correct, in that the Moscow trial, as a political "purge," invites criticism on the same grounds as

have inspired Labour and Liberal opposition to other totalitarian regimes, Stalin is probably not greatly concerned thereat. Ironically enough, the Moscow press demands for Soviet Russia the principle of non-interference as invoked for Italy and Germany. There is no reason why this demand should be refused; indeed it is now being generally admitted that the risks of international conflict are lessened if each individual nation will essay the solution of its domestic problems by the intelligence of home-grown genius to the exclusion of exotic empiricism. On the disclosure of the tyrannical methods by which the Soviet regime still finds it necessary to maintain itself there is no need to make elaborate comment. The prompt execution of the sixteen convicted prisoners grimly answers the pleas made on their behalf by foreign sympathizers, whose complacency receives a rude, if salutary, shock. The facts speak for themselves. They do not suggest that Stalin is permanently proof against the Nemesis which is now, on his behalf, wreaking vengeance on his former colleagues. That is revolutionary history repeating itself with much unclon.

THE NEW EGYPT

Aug. 28.

Sir Miles Lampson learnt in China—a good school let it be said—how arduous is the task of negotiating a treaty of relationship. He knew that, when on promotion from Nanking to Cairo he had to assume the High Commissionership of Egypt and the Sudan, the possibility of having to essay that task was by no means remote. The knowledge that six previous attempts had been made without success may have brought him mixed comfort. The abolition of the British Protectorate in February 1922 carried with it the recognition of Egypt as a sovereign state, subject to four points reserved for agreement:

safeguarding imperial communications; defence of Egypt against outside aggression; protection of foreign interests and minorities; the status of the Sudan.

Mustapha Nahas Pasha, the Wafd leader of to-day's "United Front" and the successor to Zaghlul Pasha, had been the Egyptian negotiator of the treaty offered by Mr. Ramsay MacDonald's Labour Government in 1930. The discussions broke down over the Sudan clauses. The draft treaty then proposed went far beyond the safeguards considered essential to the Milner Committee of 1920. Sir Miles Lampson has had no easy task for, in 1930, when the last rupture occurred, Nahas Pasha had been assured by Mr. Arthur Henderson that the offer stood. Changed conditions have in certain respects lessened anxieties and suspicions on both sides, but human nature and especially Wafd human nature is always inclined to accept the point at which previous negotiations were broken off as the start for the next advance.

The storm which arose over a misinterpretation of Sir Samuel Hoare's remarks at the Lord Mayor's Banquet of November 9 last, has had the unexpectedly beneficial effect of giving Egypt a political unity hitherto unattainable for to the United Front then formed the Wafd adhered, thus abandoning its former attitude of aloofness. Its strength as the most powerful single party, made its leader, Nahas Pasha, the natural leader of the United Front. In 1930 the Egyptian

Constitution of 1923 had been suspended. Another effect of the agitation over Sir Samuel Hoare's speech was to bring that suspension to an end. The 1923 Constitution was re-promulgated on December 13, 1935, the British Government having definitely declared that England could not interfere with Egypt's choice of her own constitution. On the working of the Constitution, however, Anglo-Egyptian diplomatic relationships have important effects and it may be surmised that, apart altogether from other factors, this consideration inspired the United Front to renewed efforts for solving the treaty issue. The actual terms have not been officially published, but it was evident that military discussions played a far more important part than was at one time thought probable. Instead of there being signs of coyness on one side and spacious expectancy on the other, the two parties appear to have been confronted by comparatively few differences of opinions. There have been distinct hitches—one occurred over capitulations and must have brought back to Sir Miles' mind that other blessed word "extraterritoriality"—but they have soon responded to treatment and rapidly removed. That a real achievement has thus been recorded may be gathered from the fact that in February last one of the most experienced observers of Egyptian affairs, Mr. Arthur Merton, expressed the view:

the negotiators may find difficulty in accepting terms which will inevitably fall short of those of six years ago. The events of the past few months tend to inspire a pessimistic view.

If, when receiving congratulations to-day, Sir Miles Lampson and Nahas Pasha, with the modesty which should be and assuredly must be theirs, desire to find a suitable object of their joint gratitude, he must be Signor Mussolini. No-one quite knows what is going on behind the veil of the Empire of Abyssinia and most people are prepared to wait for Rome's version in good time. However that may be, the sudden change in the status of Abyssinia has radically affected the positions of Egypt and the Sudan—now neighbours to a state of potentially great military strength. Moreover the emergence of a more aggressive Italian Empire on the highroad to India and Australia has given British opinion of the Egyptian problem a piquant turn. Where Great Britain was prepared to make no concession she might easily be far more amenable because the significance of the concession had lost weight or become overshadowed. Where Egypt was previously ready to be truculent, she in her turn might be apprehensive lest truculence would lead to the withholding of vital support for the infant independent state. It is generally understood that British troops will no longer enjoy the amenities of Cairo and will have to face the rigours of Ismailia. In return for that sop to Egyptian self-respect, the British air strength in Egypt is to be increased and Alexandria is to become a naval base. Egypt joins the League of Nations. Two thoughts may be commended for application to this solution of a long-standing problem: the first is that Great Britain, in spite of the depressing tendencies elsewhere, adheres to her progressive policy in the East; the second is that her courage and readiness to bear the burden of her responsibilities are still at the service of national liberty and international security.

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THE WAY OF THE WORLD

THE NEW STAMPS

A cable recently recapitulated various expert criticisms of the new postage stamps to be issued in Great Britain owing to the change of sovereign. Those criticisms may or may not be justified in their strict relation to the artistic merit of the stamps. It is not possible to judge until the stamps themselves come to hand. Generally it will be agreed that the original designs of the old black-later red-penny stamps of Queen Victoria's early days have not been equalled by their successors, although it will also be admitted that art critics are difficult to please and seldom has a stamp, a coin or a medal been produced without encountering something of the same sort of objections as have now been raised to the presentation of King Edward's portrait on the new stamps. On one point, however, it is necessary to correct the critics. For some reason or other, British postage stamps—that is, those of the Mother Country—have never indicated the country of origin. The Dominions, the Irish Free State, India and the Colonies have not been able to indulge in that form of harmless egoism.

BLOODTHIRSTINESS

Of the bloodthirstiness on both sides of the Spanish Civil War there seems unapparently to be little doubt. Sympathizers with one party will tend to emphasize the atrocities committed by the other and vice versa. It is generally agreed that the ghastly murder of Senor Jose Calvo Sotelo was one of the incidents which led to the actual outbreak in July, but it is not so generally known how that horrible crime came to be committed. Mr. P. J. Noel Baker has vouched for the following account:

An officer of the so-called "Assault Guards," by name Castillo, had been openly threatened by Calvo Sotelo's organization. His life was in such evident danger that the Government refused to allow him to go anywhere without a strong police guard. A short time ago, Castillo's request for this guard was withdrawn. The same night he was shot to pieces by Fascists, who attacked him with machine-guns. The men of his company found his body in the street shortly after, and immediately planned a raid on the headquarters of Calvo Sotelo's organization. When their raid was carried out they killed Calvo Sotelo in revenge for the death of Castillo. The Government immediately arrested all those who were concerned in this attack on Calvo Sotelo, they put them in prison, and when General Franco's revolt broke they were about to bring them for trial by regular legal procedure on a charge of murder.

Mr. Baker also points out that for some time before the outbreak certain Fascist elements in the Army were deliberately removing their opponents by assassination. Six officers—one of them Mr. Baker's personal friend—of a certain service in the Army had declared themselves openly as partisans of the Republicans: three of them had been murdered by Fascists before the outbreak began. Mr. Baker denies that the Agrarians have joined the insurgents and he notes the strong support given to the Government by leading Spanish intellectuals. He was of course writing nearly a month ago. The cables seem to suggest that the loyalists have come under the domination of the extreme Communist elements and that the intellectuals—even Senor Azana himself—may not be able to control events. In any case, Spain is terribly caught in the coil of bloodthirstiness in which revenge, with all its ghastly technique of reprisals and summary executions, so gruesomely trades. On Mr. Baker's view of the Government's position, an American, Mr. Arthur P. Rees who describes himself as, like Mr. Baker, an "advanced Liberal," has comment to make. Mr. Rees, recently returned from Barcelona, asserts that Russian Communists have been organizing the administration there and that so long as a year ago it was the standard joke at Bilbao that the Russian agents were the only people to have work:

The pay of the ordinary agent was 150 pectas a week, but much more entertaining had to be done. Mr. Rees maintains that the struggle is between Communists and Fascists and that Spain is an unhealthy country for Liberals at the moment. It is a delusion to imagine, he says, that the rank and file are with the Government:

Fully 80 per cent. of the working classes curse both sides with a wealth of epithets which is in unhappy contradiction with their present worldly state.

It is the old story: the Kermesys have been driven impotently in the background and the cables seem to bear out that point of view.

STILL FRENCH

Although the Queen Mary established a new Atlantic record on her crossing to New York, beating her rival the Normandie by a comfortable margin, it transpired that she had not regained the Blue Riband although earlier reports on Monday indicated that she had done so. That cherished honour remained in possession of the French liner, which on a west-coast crossing last year attained a speed of 30.31 knots, which was in excess of the Queen Mary's speed on that trip. A mutual exchange of congratulations between the two skippers, Captain Sir Edgar Britten, and Captain Pierre Thoreux, through the medium of the press, reveals that both masters are extremely proud and confident of the prowess of their commands and an interesting Anglo-French competition is to continue on the Atlantic for, as Captain Britten observed, "a little competition is a good thing," which recalls to mind the friendly rivalry among the China clippers last century when the first box of tea tossed ashore at the East India Docks was the challenge inspiring the great tea races from Shanghai and Foochow and London Town. All this is to the benefit of the mercantile marine despite the fact that the modern liner is largely a floating engineering plant. Although the Mauretania held the Blue Riband for many years she has relinquished it there have been far more interesting maritime developments culminating in the struggle of the two Anglo-French giants for supremacy on the busiest ocean in the world.

"A CUP OF COFFEE"

Mr. Lowell Thomas now has a world-wide reputation for his effective accompaniments to the newest pictures thrown upon the cinema screen. A graduate of Princeton, he played an active part as one of the "eye-witnesses" in the Great War, gaining special knowledge of Palestine, Arabia, including the Hedjaz. His selection to expound the Himalayan epic, "Wings Over Everest," naturally fitted in with his record and present occupation, but it had a peculiar appropriateness in that he was the first man to take a film of the North-West Frontier of India. His acquaintance with the British forces in Arabia was directly responsible for the mission which the Government of India entrusted to him during the Waziristan Campaign of 1919-1923. Mr. Thomas startled the atmosphere of Simla with his vivid account of the Frontier scenes on his film, but Simla like other places, has learnt much since then regarding the requirements of film narration. It is difficult to imagine anyone doing better justice to the Everest flight than Mr. Thomas. It now appears that his own Government is just as alive as other people to his deftly persuasive methods and from spiritual soaring with Colonel Blakeney's monochrome over the plumed Everest, he is to descend to earth in the United States Department of Commerce for the discussion of the merits of American commodities over a cup of coffee. If Mr. Thomas is as eloquent on coffee as on the beverages of India, the Department will have reason to congratulate itself.

SUNNY SAN SEBASTIAN

The situation in Spain is dark and gloomy especially in the vicinity of San Sebastian, the famous seaside resort in the north which has been shelled or bombed almost daily in the last week or two, but it is not too dark to despair. Optimism blooms eternal in the breast of the city's publicity agent who devises alluring appeals to attract the tourist to its sunny environs. In the world-wide mail received by this journal yesterday was a letter from San Sebastian enclosed in an envelope of typical publicity style and adorned with pictures of the resort and its beautiful beaches. "Visit San Sebastian" is printed boldly along the edges while the postal mark, following progressive advertising lines, proclaims in Spanish, French and English: "San Sebastian: Ideal Climate: Sea and Mountain" with the additional slogan: "Sea, Sand, Sun." It takes a city with a great deal of courage to show so optimistic a face in the present circumstances and to announce the successful concerts of a Spanish dancer and guitarist who is known for her tours of the Far East, which forms the contents of an enclosed leaflet, but it is difficult to defeat the smiling Latin temperament. A letter received in Shanghai from a friend in Barcelona, which was prominently mentioned in the caption of the revolt, states there is little difference in the ordinary life of the city and cafes, theatres and night clubs are open as usual doing undiminished business.

A FINE FAMILY RECORD

Major Winton Seton, late Leinster Regiment, who died at Southsea on August Bank Holiday, had army associations carried back to more than 100 years. His father was Colonel R. E. Seton of the 93rd (Ayrghill and Sutherland) Highlanders and City of Dublin Militia and his grandfather was Colonel William Carden Seton who commanded the 88th Regiment (Connaught Rangers) at Balaclava and Salamanca—two names again in the "war" news. Major Winton Seton himself joined the Army from the Militia in 1875 and held his first commission in the 49th (Royal Berkshire) Regiment transferring to the 33rd (Duke of Wellington's West Riding) Regiment in order to serve in India. On promotion to captain in the second battalion (The Buffs) in 1884, he exchanged into the Leinster Regiment (Royal Canadians) with which unit he remained until his retirement in 1902, after the South African War had brought him the medal, five clasps and Lord Roberts' mention. His other foreign service included British Guiana and Barbados. His only son Lieutenant Bruce Seton was killed in Mesopotamia in the Great War as an officer of the Indian Army.

REBEL PROGRESS

Although it is still difficult to distinguish between accomplished facts and pious hopes in assessing the conflicting announcements of the Spanish Government and the insurgent authorities, it must be conceded that the general sense of the telegrams suggests greater progress by the rebels than Madrid is ready to admit. The forces at General Francisco Franco's disposal are not only trained fighters but are commanded by men to whom the study of warfare is a profession. Against this the fanatical enthusiasm of the loyalist volunteers may avail little. The employment of Moorish troops indicates the reluctance of the struggle for General Franco is admittedly risking considerable odium by taking that course. The loyalists have suffered enormously from their failure to hold the Navy which at first was overwhelmingly on the side of the Government. Subsequent defections, coupled with the insurgents' strong development of their air power, prevented the Government from retaining command of the sea. So reinforcements from Morocco have greatly enhanced the insurgents' power and the bombardment of towns like Malaga and San Sebastian shows that the Government is confronted by formidable naval mobility on the side of the enemy.

PROPER INTERVENTION

It is satisfactory to find that the leading European Powers, in collaboration, are anxious to exercise their good offices to prevent the further commission of brutalities which, admittedly, are being committed on both sides of the present conflict in Spain. Intervention in Spain's domestic affairs is expressly disclaimed and will be scrupulously observed in the light of the agreement reached between the countries concerned. This is not inconsistent with humanitarian efforts to present to the bitterly contending leaders the outside view of some of the appalling measures of vengeance and reprisal now being put into execution by loyalists and insurgents alike. Even if it be conceded that a civil war must necessarily be waged with exceptional ruthlessness, there surely must be some way of imposing a decent or moderately decent limit on that condition. The task which the humanitarians propose to themselves is by no means easy for they will have to guard against any possible accusations of assisting one side in the struggle and, perhaps, of unduly favouring one side. Turning to the course of the fighting, it is still quite impossible to judge whether the insurgents are making good their claims to be wearing down the resistance of the Government forces. In general it would seem that neither side has yet acquired predominant technical ability, whether it be in the actual process of fighting or in strategic disposition. It certainly is astonishing that the insurgents, commanding as they have done the important military stronghold of Saragossa, have not been able apparently to make it the headquarters of aggressive operations but have been on the defensive there against sustained attacks from the Government's hastily organized volunteers and militia. The argument that time is on the side of the insurgents cannot be pressed too far. Their dependence on the Moorish units does not suggest that they can afford to delay securing decisive successes. Unconfirmed reports of ground gained near Madrid, of the destruction of Toledo's munitions factory and of the predicted capture of Irún may point to the beginning of a real insurgent "victory drive," but the decision of the diplomatic representatives to remain in Madrid justifies acceptance of that view with more than usual caution.

THE IRON HORSE

Transportation has been so greatly transformed in recent years by the introduction of the Diesel engine that one might be led to imagine that the days of the steam locomotive are numbered. This is quite contrary to facts. By applying the principle of streamlining to steam locomotives amazing speeds and unusual degrees of comfort and service are being given to railways of long establishment. The days of the "Iron Horse" as the red Indians named the locomotive, are by no means over. All over the world a change in methods of design is narrowing the margin between established methods of railway transportation and their new competitors with the balance largely in favour of the old-type locomotives reconstructed on new lines. On the London and North-Eastern Railway between London and Newcastle, the new streamlined locomotive has proved so successful that after the initial experiment 17 more locomotives of the same type are being built at their Doncaster sheds. The "Silver Jubilee" train has five times exceeded 100 miles an hour and once reached 103 miles, while one stage of 28 miles was covered at a speed of 98 miles. In this part of the world the streamlined "Asia," which operates on the South Manchuria Railway, has revealed an extremely high speed using the coal which is close at hand in Manchoukiao. Science has many surprises in creating new inventions, but it is equally ingenious and successful in developing existing facilities in the light of studied application of possibilities.

SOCCER BEGINS

Coming into line with Scotland, England has started the Association Football season and on Saturday the routine of the winter began for thousands. At this distance it is impossible to judge the capabilities of the teams for form has not had a chance of displaying itself. Interest centres therefore on the fate of the promoted and relegated teams in their initial engagements. In the First Division Charlton Athletic did well to win at Grimsby, but Manchester United, in receiving Wolverhampton had to be content with the division of points. Coventry City drew at Doncaster and Chesterfield lost at Southampton in the Second Division. It is safe to say that Aston Villa's declared intention of returning to the First Division this season will attract lively notice for that famous tract performances. Not highly tested at Swansea—judging by last season's form—the humbled giants did all that was required of them. Blackburn Rovers had a harder task at Bury and could only draw. London teams did well for, in addition to Charlton's win, there were full points taken by Chelsea at Leeds and Arsenal at home from Everton. Brentford drew with Bolton at Griffin Park, so no London First Division team met defeat. In the Second Division something had to go when West Ham received Tottenham Hotspur and the victims were the visitors. At Craven Cottage Fulham halved points with Plymouth, Clapton and Crystal Palace performing the same gesture at Clapton. Watford completed the tale for London by travelling to Wales and bringing back full points from Newport.

CAPT. CHICHESTER'S HOPS

There is a delightful air of insouciance about the activities of Captain F. C. Chichester, the bearded young New Zealander, who has been flying about this country for the past week or two with his passenger, Mr. F. Herrick. Visits to China of foreign airmen have been enterprises of anticipation, organization—and sometimes disappointment—along well-defined routes with telegrams flying backwards and forwards announcing arrivals and departures. Not so with Captain Chichester. In his tiny Puss Moth, he has hopped off whenever the fancy took him and ignored the usual preparations accompanying foreign flights in this country. His sole equipment has comprised official permission from the Chinese authorities to fly and his own vision to get there. After a tour of North China since his arrival in Shanghai recently, he arrived in Nanking and hopped off for Foochow overland without touching Shanghai. After an hour's stop for refuelling at Foochow, he proceeded to Hongkong where he arrived on Thursday afternoon. Friday morning, somewhere about breakfast time, he and his passenger were flying to Fort Bayard, in French Indo-China, with the dust of China off the wings of his machine in a space of time so short as to appear incredible. This carefree spirit which makes his progress so rapid does not indicate lack of preparation; it shows the degree of confidence he has in himself and in his machine and his remarkable skill in navigation.

(Continued on page 396.)

From Daily News Ads.

Mr. J. R. L. Calder has joined the firm of Noel, Murray & Co.

The annual general meeting of the Kota Bahru Rubber Estates (1921) Ltd., will be held on September 11.

The Krocwoek Java Plantations, Ltd., have declared an interim dividend of \$0.02 share for the year ending December 31, 1936.

The "North-China Daily News" news service is broadcast over station XMHM, 840 k.c., 357 m., between 12.30 and 12.40 p.m., daily, except Sunday.

A Customs notification states that the restriction referred to in Notification No. 1536 applied to old used cotton wadding only and not to cotton waste.

Mr. H. Krenn, watchmaker and jeweller, has left Messrs. Hirsbrunner & Co. and is opening an establishment of his own at 666 Szechuen Road.

Persons having claims against the estate of the late Henry Albert Collins, who died at Johannesburg, S. Africa, on August 1, 1935, are requested to send particulars to Hansons, 39 Peking Road.

The autumn term of the Cathedral Girls' School (British) commences on September 7 at 9 a.m. The headmistress will be in office on September 3 and 4, from 10 to 12 noon.

A reception for Chinese and foreign officials and the Netherlands community was held at the Netherlands Consul-General's house on August 31, in Shanghai, on the occasion of the birthday of her Majesty Queen Wilhelmina.

The China General Omnibus Co. have opened up a new bus route as from September 1, running between Avenue Foch (Yates Road corner) and Markham Road Bridge, via Yates, Bubbling Well, Burkill, Tatung and West Soochow Roads.

Photographs are now being received for the fourth series of the "North-China Daily News" Snapshot Competition. The third series closed on August 30 and entries will be judged during the course of this week, the results being published the following Sunday, September 6.

The Asbury Academy, a Christian day and boarding school, will be open to receive pupils as from September 10, the beginning of the fall and winter term. The school is situated at 47 Great Western Road and is under the direction of the Rev. and Mrs. J. Lawrence Grant.

The Language School of the British Chamber of Commerce in Shanghai has introduced a linguaphone into the school. This is an approved method of imparting tones and rhythm by means of the gramophone and is now being used with marked success in the London School of Oriental Languages.

The partnership existing between Messrs. Schuh, Davies and N. E. Lurton is terminated as from September 1, by mutual consent. Messrs. Schuh and Lurton are carrying on the general practice of law under their former firm name of Schuh and Lurton, and Mr. Davies has joined the firm of Alliman & Co.

A revised list has been issued by the Customs of goods requiring Conveyance Certificates or Sub-Conveyance Certificates and, if moved by rail, Customs Import Duty Proofs. These goods include artificial silk yarn, alcohol, alcoholic liquors, aniline dyes, bicycles, boots and shoes, canned foods, medicines, beetles, fuel oil, kerosene and gasoline, paper of all kinds, piece goods of all kinds, dried sea products, caustic soda, sugar, tyres and tubes, and toilet preparations.

Applications are invited from young Chinese engineer officers having Chiao-tung Pu certificates of competency as engineers for appointment to the Marine Department of the Chinese Customs. Candidates will be required to pass a strict medical examination, must be of good physique and character, and be between the ages of 22 and 30. A competitive examination will be held to test the abilities of promising candidates before a final selection is made. The men selected will be required to serve satisfactorily for a probationary period of six months (on salary) before being placed on the permanent staff of the department. Applications should be in the candidates' own handwriting and should be forwarded with copies of certificates and testimonials to the Coast Inspector, Shanghai.

SHANGHAI NOTES

AIR MAIL ADVANCES

By the opening up of the Penang to Hongkong branch of the Imperial Airways route Shanghai has been brought into closer communication with Europe—and on the way, India—and with growing experience of the art of catching the right steamer to Hongkong or the right aeroplane to Canton, Shanghaianders may be encouraged to use this new facility. Already letters from Europe arrive here in increasing numbers by the Penang-Hongkong-Canton route. Now it is learnt that the French air-route by Canton and Hanoi is actually functioning with success for mail despatched by that route from Shanghai on August 20, was delivered in Paris on August 30, according to advices from the Chinese Post Office. That is a very satisfactory achievement and the authorities will be congratulated on the persistence which has enabled them to overcome the difficulties in bringing the route into use.

"UNDER TWO FLAGS"

It is highly appropriate that Hollywood should do honour to the author of "Under Two Flags" for that irrepressibly extravagant lady of the Victorian age, Mlle Marie Louise de la Ramée—daughter of a French father and English mother—would have found some of the amenities of Hollywood deliciously attractive to her. She might still have had to depend on the bounty of the Civil List if she had lived in these days instead of dying toward the end of the Edwardian reign. Curiously enough she was born in that truly English town, Bury St. Edmunds, the defeated but unbowed rival of commercially-minded Ipswich for the leadership of Suffolk. The pen-name which she took was merely the necessary corruption of her own Christian name but to appreciate its full glamour it is necessary to have heard it used in terms of horror and reprobation by the shocked adults who forbade youthful access to certain of her pages. Even that often broad-minded work the Encyclopaedia Britannica has left on record its view that, "on grounds of morality or taste Ouida's novels may be condemned. They are generally flashy and frequently unwholesome." Still the admission that the character of "Cigarette" is "full of fine touches" makes some amends. Suffolk cannot complain that Ouida inflicted herself on the county of her birth. She migrated to London at an early age and in 1874, fourteen years after her first story—"Held in Bondage"—was published, she moved to Italy where she lived till death in 1908. That Civil List pension was belated for it was not awarded until 1907, so it had little opportunity of mitigating the poverty in which she died.

MR. F. SCHWYZER

Shanghai has lost a man of many contacts, proved saint of judgment and genuine friendliness by the death of Mr. F. Schwyzler. Well-versed in Shanghai affairs, Mr. Schwyzler played a valuable part in building up international relations here. He was trusted by all communities and he never pressed himself on public notice, being content unobtrusively to work for the removal of those differences and misunderstandings which his linguistic accomplishments as well as his special experience enabled him acutely to appreciate. He was ever a sociable member of the community and he was essentially a man to whom it was a pleasure to turn for advice or guidance on local matters. Moreover he had a good grasp of happenings beyond the immediate ken of Shanghai. An Old China Hand he might be but he did not permit his vision to be bounded by the Bund or the Whangpoo and in reviewing world politics he could be entertaining and informative without parade of dogmatism. He will be much missed and the deepest sympathy will be felt for Mrs. Schwyzler in her bereavement.

POLO IN SHANGHAI

The polo season in Shanghai is coming to an end and in sign thereof the Light Horse and the American Troop on Aug. 29 did battle for the annual Hoyt Cup. After a week of the annual international contest between England and America will be staged. Shanghai has gallantly kept the flag of polo flying this season despite the depression and perhaps it has to be thankful that the China pony permits the slender purse to indulge in the great game more readily than his bigger but no less plucky colleagues of Arabia, India and America. He has not the gay abandon of the shaggy Manipur expert who revels in mass tactics and prides himself on being the upholder

THE WAY OF THE WORLD

(Continued from page 395.)

QUEEN WILHELMINA

Loyal and affectionate birthday greetings were offered on Monday by her subjects to the Queen of the Netherlands. With those congratulations the rest of the world will surely desire to associate itself. Her Majesty's high sense of duty and devotion to the cause of sovereignty for nearly 46 years have won for her ever-increasing respect and admiration. Netherlands, as staunch upholders of democracy and as inheritors of a great colonial tradition, command in an especial degree the confidence and friendship of their British kinsmen. Anxious to preserve their serenity amid the alarms and excursions of Europe, they have lately taken steps to safeguard their Constitution. A commission appointed early in the year reported a few weeks ago in favour of a partial revision designed to provide for modern emergencies. Significant too has been the Government's introduction of a bill to prevent the development of political organizations on the basis of private military force. In consonance with that principle the Commission has recommended measures to protect the parliamentary system. No curtailment of the privileges of free speech by censorship was proposed, but a recommendation was made to arm the executive with power temporarily to ban publications calculated to lead to public disorder. It was hardly to be expected that the Netherlands could escape all the consequences of the clash of revolutionary doctrines in the world outside, but it was equally certain that the people's sanity would confront those dangers without flinching. Queen Wilhelmina's democratic leanings have no doubt proved a source of inspiration to her Government and the nation in these passing perplexities. May she live long and her country flourish with her!

TO THE PEERAGE

Mr. A. V. Alexander, former First Lord of the Admiralty and Member of Parliament on a Co-operative ticket for the Hillsborough Division of Sheffield, should feel that his services to his country have been gratefully recognized by the continental news agency which obligingly bestows on him the courtesy title of the younger son of a Duke or Marquis. Mr. Alexander is attending the Institute of Pacific Relations Conference at Yosemite as a member of the British delegation. The reference to him as "Lord Albert V. Alexander" will delight his supporters, especially at Brightside, that misnamed district of steelworks and soot, where the local co-operative headquarters are established. People on the continent never did appreciate the niceties of British titles as instanced by their frequent references to "Sir Chamberlain" when he was Foreign Secretary. Perhaps this is due to the witty sallies in "Punch" which never fails to use this topic as a source of good-natured fun as witnessed in the series of articles some months ago of English lessons for Teutonic in which those estimable characters, Viscount Brown, Earl Smith and Lord Robinson were the mouthpieces.

WORTHY CHAMPIONS

No-one grudges Derbyshire their second County Championship after a lapse of 62 years, but there will be sympathy with Northamptonshire who were robbed by time of a certain victory against the new champions on Tuesday. Grim tragedy off the field has filled the cup of Northamptonshire's woe. R. P. Northway has been killed and Bakewell, the

of the game's most ancient traditions, but he gives his rider a good chuck for his money and the spectators a full quota of real enjoyment. The polo enthusiast here does not lack mentors; among them is Mr. J. A. Hayes who has opportunely committed to paper and the four pages of a brown covered brochure some "polo tips for players and umpires." Mr. Hayes therein does not recapitulate the rules in full but, with the help of diagram and letterpress, he expounds "the less readily appreciated and more intricate points of some of them." Thus he explains how each of two players riding from opposite directions to meet the ball must conduct himself to hit that ball on the off-side of his pony. He shows that the player, ahead of and on the line of the ball, has no status—in other words cannot interfere with an oncoming opponent possessing the right of way. Mr. Hayes pleads for competent umpires—an echo of recent moans in London where umpiring seems from all accounts to have been patchy even in important matches. With those prospects to-day's match this journal's expert has no doubt is sufficient here to congratulate the winners in advance and to hope that the losers will learn enough to turn the tables another year.

hero of the last match, most seriously injured. Throughout the season Northamptonshire have failed to secure a single win and in meeting Derbyshire—their last match indeed—they put up their best performance, the stumps being drawn with Derbyshire still 173 runs behind and only three wickets in hand. Being ahead on the first innings Derbyshire took five points which made their claim to the Championship honours unsalable. No doubt in meeting Somersetshire and Leicestershire they will try to show their independence of those points snatched so luckily from their plucky opponents at Chesterfield. Northamptonshire's disappointment will be all the greater because there is now no hope of registering even the single victory which came to them last season. The struggle for the honour of being runners up to Derbyshire is still open. Yorkshire cannot afford to drop more points with Middlesex and Nottinghamshire hard on their heels. Derbyshire's triumph has been well-earned for last year they finished second to Yorkshire. The admirable Wisden has observed that Derbyshire's Championship of 1874 cannot be compared with that feat of getting second in 1935—and, the oracle might have added, with the 1934 record of winning 12 matches outright for a percentage of 53.09 which carried them from sixth to third place in the table. Thus they have steadily climbed up, rung by rung, from 1934 to their present eminence which is due to good all-round play, true cricket keenness and a sound policy of encouraging their young professionals. Worthington's batting, and the bowling of Copson, Townsend (L.F.) and Pope (A.V.) have been valuable assets. These champions have been formidable, have not had always the best of luck for weather and other reasons, but have shown more joints than the great Yorkshire usually are expected to possess in their armour. Sutcliffe is bowing to time, Hutton has not come on as rapidly as was expected and, though it seems sacrilege to criticize Verity in his prime, at the post the bowling averages, it must be confessed that he has had curious lapses to set off some really brilliant feats. The sight of England's chief slow bowler sending down full tosses and long hops is encouraging to the rabbit, but it may account for the occasional uncertainty which marked Yorkshire's record this season. Everyone will hope that they will keep those symbols of his comradeship with lesser men for home consumption. Australia must see him only in his "Eric's" vein.

FINAL STAGES

Yesterday cricket at Home entered upon its final and holiday stage. The County contests are finished. Festival cricket at Scarborough and Folkestone, where the All India team will appear on September 9 and September 2 respectively, will take advantage of what appears to be the relaxing mood of a wicked summer. The new champions have made a good start in their final match against Leicestershire who, mindful of an ignominious nine-wicket defeat in two days on August 9 and 11, cannot view their present position with equanimity. Middlesex seem to be bent on asserting their claim to the second place at Yorkshire's expense. Is it not time to call upon the metropolitan county to extend its fixture list? Middlesex were third last year and have been champions in 1878, 1903, 1920 and 1921, but they do not play Derbyshire or Leicestershire. The heavy demand on Lords for other matches may militate against extension but, taking leaf out of other counties' book, Middlesex might consider the possibility of playing a match or two at, say Twickenham or the county capital, Brentford. It is pleasant to see that Hendren's remarkable batting form has held to the end of the season. On Saturday the selected team for Australia will have its first match as a team at Scarborough against H. D. G. Lawson. Gower's XI, Reuter's statement that the full number of invitations has been issued must be accepted with reserve. R. E. S. Wyatt has been rightly chosen to replace E. R. T. Holmes who for business reasons has had to decline. If Wyatt has shaken off a tendency to staleness, he will be a great asset with both bat and ball. Usually seventeen players are regarded as necessary nowadays to cope with the strain of the tour. Although Fagg is a reserve wicket-keeper for his County, it would be surprising to hear that he was intended to deputize for Duckworth. In point of fact even when Ames is absent—it is good to see that Ames has recovered from his illness—W. H. V. Levett and not Fagg "keeps" for Kent. Failing Ames, it would be satisfactory to know that McCorkell of Hampshire—the best batsman regularly keeping wicket—had been asked to be the seventeenth tourist.

THANKS TO THE NAVY

The British Navy rarely receives any thanks. It is a unit which appears all over the world and does things which nobody ever knows about and invariably is criticised when the naval estimates are discussed in the House of Commons. Lord Ruthven's daughter, however, has broken the icy restraint maintained in British official circles by publishing her views on the work of the Navy in rescuing people from Spain and acting as mentors, guides, financial agents and everything in the nature of a Cook's personal tour. Writing to her father, who published extracts from her letter in the London press, she states:

You never knew such kindness and hospitality as we received. I had the captain's cabin. I don't think anyone belonging to the ship had anywhere to sleep, eat, or sit, and we had everything. There were 62 of us on board, including a 12-day-old baby, which was looked after by a sailor. I do think publicity should be given to the amazing care, kindness, and unselfishness of the Navy. The way they treated me from the admiral down to the sailors who carried our bags on board, and the stewards who cooked coffee and made sandwiches all night, everybody shared for us all, and we must have made an infinity of work and trouble and discomfort for them all.

This refers to Spain but there have been many incidents in this part of the world where the Navy has also assisted the civilian population and revealed that floating armed force is subservient to humanitarian needs when the occasion unfortunately arises.

ATLANTIC HONOURS

Full Atlantic honours are now in possession of the Cunard-White Star liner Queen Mary, which added to her east-to-west record a return voyage of even faster time and has captured from the French liner Normandie the prized Blue Riband. The Queen Mary attained an average speed of 36.63 knots, which is a third of knot quicker than the Normandie's average. More interesting than any matter of knots is the fact that for the first time the Atlantic has been crossed by an ocean liner in less than four days, the time between the two ocean mileposts, so to speak, being a bare three minutes less than 96 hours. As the masters of these vessels have already stated, both are capable of higher speeds than those already established and a keen Anglo-French rivalry has been initiated to reduce these times even more. It is unlikely that better times will be established this season but on the opening of the season next year there can be expected a serious attack on the Queen Mary's performance for never has the simile of the ocean greyhound been so graphically illustrated as in the case of these two giants which represent, in their way, the latest in shipbuilding science and until the Queen Mary's sister ship is completed, or some other nation enters the race by building a competitive vessel, these two rivals will continue to race across the Atlantic.

MORE ARMING

Germany's decision to extend the period of military service to two years thus bringing the effective strength of the German army to the ultimate figure of 1,000,000 is declared to be the inevitable answer to the Soviet Government's recent lowering of the recruitment age which is estimated to raise the Russian army to the same total. It naturally does

not encourage hopes of an early abandonment of the suspicions and fears which are finding expression in Europe's feverish rearmament. At the same time Germany's intentions should receive favourable interpretation in the light of her admirably co-operation with Great Britain and France for the purpose of securing non-interference in Spain. M. Leon Blum rightly comes in for considerable commendation on account of the courage with which his Government has ignored the feelings of its extreme left-wing supporters. M. Blum has recognized the paramount importance of European peace and he has been given ungrudging support by Great Britain. Germany's association with that endeavour is a welcome sign which should not be discounted.

FOR INTERPRETATION

The delicate relations existing between a newspaper and its esteemed correspondents are highly valued. For that reason churlishness is not permitted to intrude in measurement of every statement of fancy or fact committed to paper in the "free for all" column. There may be certain restrictions arising out of the state of the law, and the usual definitions of good taste, but so far as is possible the erudite may jostle against the lowbrow, the dunce may exchange epigrams with the savant. Occasionally this system irks the reader who does not happen to compete in the epistolary lists. He finds that it tends to put a premium on the writer who blissfully refuses to look up files, disdains study of anything which has been said on the subject before he weighs in with his contribution and, in short, insists on using the column as if it were a *tabula rasa*. To-day an admirable effort is made by a correspondent to tilt at this amiable weakness. He does so by imitating the victim of his satire and by setting down at random various thoughts on the traffic problem as if the subject had never received such attention before. He ignores the existence of the Rikshaw Board, the reports of traffic commissions and committees. He treats the various measures enforced by the Rikshaw Board as if they had never been. He adds a few original notions of his own to give verisimilitude to his jest. His interpretation of the proper mode for correspondents is roughly vivid and earns gratitude of all "concerned" accordingly.

YOSEMITE ECHOES

Echoes from the beautiful Yosemite Valley tell of vehement discussion and plain-speaking which properly brought up delegates of the Institute of Pacific Relations have been known to plume themselves. It is to be hoped, however, that the world outside will understand that technique, otherwise the pronouncements of Dr. Hu Shih might be mistaken for official versions of Chinese policy. So long as it is clearly appreciated that Yosemite is dealing with the academic aspect of Pacific problems and leaving the practical issues for diplomacy in the appropriate capitals to determine, no great harm is done. Certainly it is satisfactory to note that Japan's point of view will be presented by that good-natured friend of China, Mr. Kenkichi Yoshizawa. Mr. George F. Taylor's survey of the economic, social and cultural conditions in China seems to have been a valuable contribution to the less dramatic side of the Conference's work.

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NEWS FROM THE OUTPORTS

JAPANESE SLAIN BY CHENG TU MOB

Two Dead, One Injured, Another Reported Missing:
Protest at Reopening of Consulate

Nanking, Aug. 25.

TWO Japanese were killed, another was seriously injured, and a fourth is missing, following a mob attack on an inn in Chengtu, Szechuan, where a party of Japanese were staying on Monday evening, the Chinese Government was advised to-day. In view of the potentially serious repercussion, officials of the Waichiaoou will hold an emergency conference to-morrow, following the return here of Gen. Chang Chun, Minister for Foreign Affairs.

The Japanese in the party were:—Mr. Keiji Fukagawa, a reporter on the "Shanghai Mainichi"; Mr. Kozaburo Watanabe, staff correspondent in Shanghai of the "Osaka Mainichi" and the "Tokyo Nichi-Nichi"; Mr. Takeo Tanaka, of the Shanghai branch of the South Manchuria Railway Co.; and Mr. Shochi Seto, a merchant from Hankow.

The three Shanghai travellers left on July 31 by the ss. Jaoyang Maru, with Mr. Eichi Iwai, the newly-appointed acting Consul-General in Chengtu. They arrived at Chungking on August 17, where they were joined by Mr. Seto, and left on August 21 for Chengtu—Domei.

Strong Protest Lodged

Nanking, Aug. 26.

The Japanese authorities have lodged a strong protest with the Chinese Foreign Office concerning the incident at Chengtu on Monday evening. The protest was conveyed by the Consul-General, Mr. Suma, to Gen. Chang Chun, the Foreign Minister, this afternoon.

The Foreign Office is paying very close attention to the situation at Chengtu and is sending officials there by air to investigate Monday's incident. The Japanese Consul at Chungking, accompanied by a physician, left for Chengtu this morning by air.

While official circles are withholding comment, pending the receipt of further reports, the general opinion is that the fact that numerous Chinese police, soldiers, and civilians were killed and injured during the mob outbreak indicates that the Chinese authorities made desperate efforts to protect the lives of the Japanese.—Reuter.

Ringleaders Shot

Nanking, Aug. 27.

The two ringleaders of the mob who on Monday caused the Chengtu incident, identified as Liu Cheng-hsien and Su Teh-sheng, have been executed by order of Gen. Liu Hsiang, Governor of Szechuan. They were arrested by the police in the course of the disturbances which resulted in four Japanese being attacked.—Central News.

Two Bodies Found

Chungking, Aug. 27.

Hopes for the survival of the two missing members of the party of four Japanese who were attacked by a mob in Chengtu on Monday were shattered to-day with the discovery of their bodies near the outer wall. According to an official dispatch, the bodies showed evidence of the men having been brutally slain. The dead are:—Mr. Keiji Fukagawa, a reporter of the "Shanghai Mainichi," and Mr. Kozaburo Watanabe, correspondent for the "Osaka Mainichi" and the "Tokyo Nichi-Nichi."—Domei.

Consul Held Up

Nanking, Aug. 27.

Civil organizations at Chungking, after a mass meeting to-day, refused to allow the agents of the C.N.A.C., the Eurasian Aviation Corporation, or automobile companies to provide transportation for the new Japanese Consul, who intended to proceed to Chengtu to investigate at first-hand the circumstances surrounding the incident there. According to the Japanese Embassy here, however, Japanese consular police succeeded in reaching Chengtu yesterday, to investigate the assault.

The latest information available here indicates that four Chinese participants in the disturbances were either killed or seriously wounded. Two attacks, it is understood, were directed against Chengtu firms suspected of handling smuggled goods, and one against the hotel in which the party of Japanese resided.

According to information received by the Waichiaoou, patriotic societies in Szechuan were the latest group to join the movement against smuggling and the opening of the Japanese Consulate at Chengtu.

The main force of the mob which rioted at Chengtu comprised students of the West China Union University, reinforced by some from Szechuan

University, according to an unconfirmed report emanating from foreign sources. Several students were among those arrested for having taken part in the riot.—United Press.

Government Order

Nanking, Aug. 27.

In view of the mob riot at Chengtu, the Executive Yuan yesterday dispatched the following telegraphic order to Gen. Liu Hsiang, Chairman of the Szechuan provincial Government:—

"An order for the promotion of friendly relations with foreign States was issued some time ago by the Government. An incident has occurred in Chengtu municipality, involving attacks on foreign nationals by civilians. Though this is an unexpected incident, it is apparent that sufficient precautions have not been taken. The responsible local military and police officials have evidently failed to exert themselves sufficiently for the protection of foreign nationals and should therefore be punished in accordance with law. The names of the responsible officials and the measures adopted should be immediately investigated and telegraphed to the Yuan for consideration."—Kuo Min.

Department Store Wrecked

Shanghai, Aug. 27.

It was learned locally that a tense situation existed in Chengtu on Tuesday, when troops were turned out and helped the police to maintain order. The Chiao Tung Co., one of the largest department stores in the city, was wrecked by an infuriated mob, and communications on the main thoroughfares were suspended as a result of the demonstration.

The attack, according to a Chinese press report, was made shortly after five o'clock. The store was alleged to have been dealing in smuggled goods, and this was said to be the cause of the attack. The damage is estimated at \$100,000.

Nanking Sends Investigators

Nanking, Aug. 28.

Messrs. Yang Kai-chin and Shao Ju-lin, representing the Foreign Office, left for Chengtu by air this morning to investigate last Monday's incident.—Reuter.

Official Explanation

Chungking, Aug. 28.

An official version of the rioting was submitted to Mr. Kasuya, Japanese Consul, yesterday, by Gen. Ho Kuo-kung, chief-of-staff of the provisional headquarters of the chairman of the Military Affairs Commission here. According to this, various groups of demonstrators, consisting of members of a mass meeting at which speakers denounced the projected reopening of the Japanese Consulate at Chengtu, began parading the streets on Monday afternoon late in the evening, a group attacked the Tachuen Hotel, where four Japanese visitors—the only Japanese in Chengtu—were staying. About ten members of the Bureau of Public Safety sought to halt the demonstrators and offered to take the four Japanese into custody and hold them at the offices of the Provincial Government, but the leaders of the mob were adamant.

While negotiations were going on, the crowd had grown considerably and the situation became grave. The Japanese were advised to flee and sought to escape by jumping over a wall around the hotel. Then they scattered in an attempt to escape, and one sought sanctuary in a branch of the Bureau of Public Safety. The other three disappeared, and in a subsequent search organized by the director of the Bureau of Public Safety, two were found dead.

In the affray with the mob, one policeman was killed and several others injured. Casualties were also sustained by the attackers. Several students were noticed among the crowd, which, the Chinese authorities contend, was incited by Communists and other disgruntled elements. Several leaders of the mob were arrested on the spot, and two of them were executed on Wednesday. Arrests were carried on all Tuesday, resulting in several disturbances.

The failure of the Chinese authorities to mobilize troops to assist in the maintenance of peace and order was admitted and regretted by Gen. Ho who said that, when the troops went into action, the attack on the hotel already had taken place.—Domei.

Japan's Attitude

Tokyo, Aug. 28.

Japan's attitude concerning the incident at Chengtu has not yet been decided, pending receipt of first-hand reports from Japanese officials, said a spokesman of the Foreign Office to-day. Besides actual liquidation of the mob, the Chinese and Japanese authorities, he added, must think out measures to prevent any recurrence of such incidents. He criticized the activities of anti-Japanese secret societies, anti-Japanese education in Chinese schools, the placarding of anti-Japanese posters, and the general anti-Japanism of the Chinese press, which, he declared, the Chinese authorities could control. "A peaceful settlement of this regrettable matter," he continued, "depends entirely on the attitude of the Chinese Government."

With the arrival of further details, resentment is growing, especially in press circles, which are asking the Foreign Office to take quicker action. The Foreign Minister, Mr. Arita, is reported to have informed his colleagues at a Cabinet meeting that, because of the lack of official information on the subject, his department at present was not in a position to take concrete steps for a settlement of the affair. It was, however, tentatively demanding from the Chinese Government an indemnity for the relatives of the two journalists killed; the arrest and punishment of the perpetrators; punishment of the responsible officials; and a guarantee that there would be no recurrence of such an outrage.

When concrete details were received, Mr. Arita added, Japan would take fundamental steps for a settlement of the affair.—Reuter.

Reported To Emperor

Tokyo, Aug. 28.

Premier Koki Hirota to-day made a report to the Emperor on the attack last Monday by a Chinese mob in Chengtu. This exceptional procedure attracted wide attention and was held indicative of the serious view of the affair taken by the Japanese Government.

Mr. Hachiro Arita, Foreign Minister, will meet with Gen. Hsiachi Teruchi, War Minister, and Admiral Osami Nagano, Navy Minister, either on Monday or on Tuesday for an exchange of information on the Chengtu affair and to determine the final attitude of the Japanese Government towards the case.—Domei.

Investigation in Chengtu

Chengtu, Aug. 31.

Mr. Nobukazu Tachibana, chief correspondent of the "Osaka Mainichi," and Mr. Shogo Nakamura, Shanghai correspondent of the "Osaka Asahi Shim-bun," who are here investigating into the Chengtu incident, interviewed Mr. Teng Han-hsiang, Secretary-General of the Szechuan provincial government, yesterday.

The following in question and answer form, was the conversation:—Mr. Tachibana: The Chengtu incident should be considered by both the Chinese and Japanese circles as an unfortunate affair. What is your impression?

Mr. Teng: As soon as the four Japanese visitors arrived in Chengtu, the Szechuan provincial government instructed the local garrison headquarters and the Public Safety Bureau to send officers for their protection. Upon the outbreak of the incident on the night of August 24 additional police and gendarmes were dispatched to the scene. In an attempt to quell the riot, several of the police were killed or injured, and in spite of their strenuous efforts they succeeded in rescuing only two of the four Japanese. The other two were missing in midst of the confusion, and not until the next morning did we know they were dead. I deeply regret at our failure to prevent their death.

The Police Guards

Mr. Tachibana: Why was it that there were no large detachments of police and gendarmes to protect the Japanese upon the outbreak of the incident?

Mr. Teng: The Garrison Headquarters and the Public Safety Bureau detailed more than ten officers to the hotel which number was considered quite sufficient to protect only four Japanese in ordinary times. Upon the outbreak of the incident, the rioters cut off all telephonic communications. As soon as the local Peace Preservation authorities received information to the effect, large detachments of police and gendarmes were immediately rushed to the spot. But when they arrived at the scene the situation had become so tense that

an encounter ensued between the police and the rioters with the result that both sides suffered heavy casualties. This was what actually happened. Had not large detachments of police been dispatched, even Mr. Takeo Tanaka and Mr. Shochi Seto would probably have also lost their lives. On the whole, if Communist elements were not pulling the wires behind the scene, the incident would not have taken place.

Mr. Nakamura: Do you think the mob were all law-abiding citizens? Were there no students among them?

Mr. Teng: In view of the multitude in the mob, it is natural that the status of the rioters was various, and since there were reactionary elements in their midst, we could not expect that the whole crowd were all law-abiding citizens. But whether there were students among them could not be ascertained at the time, as it was dark.

Mr. Nakamura: How do you think should the incident be settled?

Mr. Teng: Since this is a local incident, I hope that it will be settled locally at an early date.

Mr. Nakamura: What is your opinion regarding the proposed establishment of a Japanese Consulate in Chengtu?

Mr. Teng: The provincial government will only follow the instructions of the Central Government regarding this matter.—Central News.

MEETINGS IN SHANGHAI

Shanghai, Aug. 28.

Japanese military and consular officials gathered in Shanghai yesterday and abandoned their holiday on the occasion of Confucius' birthday anniversary in order to hold conferences.

The diplomats gathered at the Embassy from 11 o'clock in the morning according to a prearranged schedule. While the attack by a Chengtu mob on four Japanese travellers there last Monday was discussed, a spokesman for the Embassy said, the gathering was not held for that specific purpose but for a general discussion of the state of affairs along and south of the Yangtze River.

The meeting adjourned following a detailed report by Mr. Suma of his 1½-hour conversation with Gen. Chang Chun, Foreign Minister, on Wednesday evening, regarding the Chengtu riot.

Military officers held a second-day session at the Towa Yoko hotel, Woosung Road. Their first meeting was held from 3 o'clock Wednesday afternoon.

Party of Investigation

Shanghai, Aug. 29.

Three Japanese officials and journalists left Shanghai yesterday morning for Chengtu to investigate the slaying there of two journalists and the wounding of two other Japanese by a mob on Monday.

Another Japanese official and two representatives of the Waichiaoou also left Nanking for the same destination.

One of the Shanghai group, Mr. Nobukazu Tachibana, chief correspondent of the "Osaka Mainichi" and of the Tokyo "Nichi-Nichi," is confronted with the grim task of disposing of the remains of Mr. Kozaburo Watanabe, a correspondent of the same papers, who fell victim to the mob's fury.

Mr. Sakuji Fukumachi, president of the Shanghai "Mainichi," was unable to proceed on a similar errand because of lack of room on the plane.

Leaving Nanking were Mr. Hideo Suzuki, Japanese chancellor, Mr. Yang Kai-chia, Special Commissioner, and Mr. Shao Hsieh-ling, Sectional Chief of the Waichiaoou.

Japanese Journalists Meet

Meanwhile, Japanese feeling in Shanghai, as reflected in the local Nipponese press, ran high. All Japanese newspaper men and correspondents, numbering almost 120, were to hold a mass meeting at the Japanese Club on Boone Road at 5 o'clock yesterday afternoon.

The Council of the Japanese Residents' Corporation and the standing committee of the Federation of Amalgamated Japanese Street Unions, the two Nipponese community organizations, called emergency meetings to discuss the Chengtu affair yesterday afternoon.

Ambassador's Statement

Shanghai, Aug. 30.

"I believe that the Chengtu affair is extremely serious in that it differs entirely from past cases where bandits assaulted Japanese travellers." This statement was made yesterday morning by Mr. Shigeru Kawagoe, Japanese Ambassador to China, as he returned from a two-week tour of North China by the ss. Dairen Maru.

"I heard about the Chengtu case in Tsingtau, but I don't know any details," the envoy remarked. "I am awaiting full reports from officials on the spot and instructions from Tokyo before taking up the

matter with the Nanking Government."

Bringing with him the first direct account of the attack on the four Japanese visitors to Chengtu last Monday, Mr. Fusao Okamoto, Domei staff correspondent, arrived here from the Szechuan capital by air yesterday evening.

Survivors Tell of Experiences

Interviews with the two surviving victims of the mob's violence, Mr. Okamoto said, revealed that the rioters had shown extraordinary brutality, stripping their captives and parading them throughout the streets, meanwhile continually beating them.

Mr. Okamoto, who arrived in Chungking from Hankow on Wednesday, joined a party of Japanese officials proceeding by air from Shanghai on Friday afternoon and reached Chengtu at 5 o'clock.

Met at the airport by Col. Fan Sung-shih, director of the Bureau of Public Safety, and other Chinese officials, the party drove in motor cars to the offices of the Provincial Government. Chengtu appeared extremely quiet, with soldiers standing guard at short intervals along the route followed by the party.

Escorted by Chinese, the group proceeded to the Yangshun School, where the bodies of Mr. Keiji Fukagawa, a reporter for the "Mainichi," and Mr. Kozaburo Watanabe, correspondent for the "Osaka Mainichi" and the "Tokyo Nichi-Nichi" were lying in Chinese coffins.

"The bodies showed evident signs of mutilation. The eyes had been gouged out."

The bodies of two Chinese alleged mob leaders who were executed on Wednesday, were lying in another corner of the room.

Police Overpowered

The officials and the correspondents were then led back to the offices of the provincial government where in a room Mr. Shochi Seto, Hankow merchant, and Mr. Takeo Tanaka, an employee of the South Manchuria Railway Co., are lying in a serious condition.

According to these two survivors, a mass meeting opposing the projected re-opening of the Japanese Consulate-General at Chengtu were held both on Sunday and on Monday at Hsiao Cheng Park. The demonstrators dispersed once, but gathered around the Ta Chen Hotel where the four Japanese were staying, at about 3 o'clock in the afternoon.

Leaders of the crowd, who apparently thought that Mr. Eichi Iwai, acting Consul, was among the group of Japanese guests at the hotel, sought out the owner of the establishment and demanded that the officials depart at once. This negotiation lasted for three hours, during which the Japanese gathered in a room on the third floor. Meantime, the crowd kept on increasing, and apparently, no efforts were made by officials of the Bureau of Public Safety to disperse the mob.

Suddenly at about 6 o'clock a section of the crowd rushed the building, overpowering the small guard of policemen. Wrecking the furniture on their way up, the mob reached the third floor. Among them could be seen middle school students in uniform. In an attempt to pacify the crowd, Mr. Seto said he had addressed what seemed to him to be the leaders explaining that they were not Japanese officials but travellers.

All the Japanese produced their safe-conducts issued at Chungking by the Chinese authorities setting forth their professions.

Mr. Tanaka Fares Worse

Without warning, Mr. Seto said, he was beaten on the head with a stick. As he staggered he was seized and stripped naked. His wrist watch and his shoes were wrenched off, he said. Ducking blows that rained on him from various directions, he ran for the stairs and managed to reach the street. There he was again surrounded and beaten. He ran towards the better lit part of town and finally managed to reach a branch police office. From there he was escorted to the Bureau of Public Safety where Col. Fan removed his uniform tunic and gave it to Mr. Seto.

Mr. Tanaka fared worse. He was stripped naked, both his hands were tied behind his back and he was paraded through the streets. He was left for dead by the mob in an alley and picked up by a search party headed by Col. Fan. He was taken to the Canadian Mission hospital and later transferred to the offices of the provincial government.

Mr. Seto suffered serious injuries on the head, arms and legs and had his left ear partially torn off. Mr. Tanaka sustained bad injuries about his head and is suffering from a bad inflammation of the right ear. The Ta Chen Hotel was completely wrecked and its owner killed by the mob, Mr. Okamoto learned.

PEIPING'S PICTURESQUE PARKS

Former Capital Still Attraction for Tourists: Historical Incidents Recalled

FROM OUR OWN CORRESPONDENT

Peiping, Aug. 23. Although Peiping has steadily lost in political importance, it remains as much as ever a centre of attraction for tourist and globetrotter. This year there has been a steady stream of visitors, maintained right through the summer. Now that autumn is approaching, their numbers are increasing, for at this time of year not only is Peiping at its best, but sight-seeing can be done there under the pleasant conditions. In summer it is rather too hot to do the place properly, nor does the winter climate here encourage one to linger in the open; even spring has its drawbacks with its winds and dust-storms. But Peiping weather in autumn, from the beginning of September to well into November is perfect and can hold its own in comparison with any of the better known climates, such as that of the Riviera, of Honolulu or of California.

At this time of year the parks are particularly attractive, as is shown by the crowds who frequent them. Peiping possesses no less than six large ones, and it must be admitted that they are kept in very fair condition. The most popular, if neither the largest nor by any means the most picturesque, is Central Park. It lies immediately to the southwest of and adjoining the Forbidden City and was formerly the Altar of Land and Grain. The altar is still there, but, for the rest, the grounds have been completely modernized and have been laid out with flower-bordered walks and formal flower gardens, and even a children's playground.

Favourite with Families

Numerous tea-houses and restaurants do a thriving trade catering to a large and varied public of both sexes and all ages. Whole families from grandmother to the latest babe-in-arms may be seen sitting at a table round a single pot of tea, enjoying the cool of the evening air and watching the crowds promenading up and down. Closeby sit two elders deeply engrossed in a game of chess, completely oblivious of the noises round them, with a group of admiring fans looking on. But the chief purpose of a visit to this park seems to be to stare and be stared at. Specially does this seem to apply to the large numbers of the fair sex who in their best clothes are to be seen strolling up and down, quite unconscious of the admiring glances cast in their direction.

There are other minor amusements, such as a wolf course, spotted deer in special enclosures, some rather depressed-looking birds of the heron type in gloomy cages, and goldfish in tubs of scum-covered water; not to mention a house full of stuffed animals, in the middle of which, inconspicuously enough, stands a large stone tablet, over 200 years old, engraved with a remarkable picture.

But perhaps the most curious sight the park affords is the weird assortment of monuments which are scattered about. Immediately opposite the entrance is a fine triple marble archway inscribed "Right Triumphs over Might." This was originally the so-called Ketteler Memorial which was erected on the street where the German Minister was murdered in 1900, was pulled down in 1918 and later re-erected here in this park.

Memorial to President Harding

Just beyond it is a very modern-looking piece of statuary in honour of two military men who were fellow-officers of Feng Yu-siang in 1911. They joined in the Revolution prematurely and were beheaded, and General Feng who escaped erected this monument in their memory. Then there is an obelisk to Sun Yat-sen erected by the Peiping labour unions, and one to the Commissioner of Foreign Affairs who was killed by the Japanese in Tsinanfu in 1928. Last but not least, there is an obelisk to the memory of President Harding—of all persons—in gratitude for his assistance to China at the Washington Conference, though what the Chinese have to be grateful for is that particular conference the inscription unfortunately neglects to mention. The chief interest of the Central Park lies in the crowds who visit it, rather than in any particular beauties that it contains.

A park that runs the Central Park very close in popularity and one that is very much more picturesque, is the Pei Hai (Northern Lake). This park is of very ancient origin going back for at least seven centuries. Marco Polo saw it and went into raptures about its beauties. But all through the subsequent centuries it remained a strictly private park of

the Emperors, and it was not till 1925 that it was thrown open to the general public. The chief attraction of the Pei Hai is the lake, with a hilly island in the centre crowned with an imposing white pagoda. The park offers the added amusements of boating in summer and skating in winter. Where the Empress-Dowager once held her famous boating parties and where Banner troops used to display their skill on the ice, the youth and beauty of Peiping now amuse themselves in similar ways.

Apart from its beautiful layout, the park has several picturesque old buildings worth visiting, especially on the north and west banks of the lake. There is for instance the Altar of Silk-worms, the Five Dragon Pavilions standing right out in the lake, and last but not least the Nine Dragon Screen in glazed tiling of five colours, which is almost worth a visit by itself. The island contains innumerable kiosks, caves and ornamental pavilions among which winding paths lead up and down. While from the foot of the great white pagoda, looking just like a huge white bottle, one gets a very fine panorama over the city. In July and August the park has an added attraction, for a large part of the lake is covered with pink lotus which is in full blossom at that time.

Home of Fragrant Concubine

The Nanhai and Chungnai (South Sea and Central Sea) form one separate park by themselves. Their waters, however, actually connect with those of the North Sea through the famous Imperial Canal Bridge, a long marble bridge that separates the two lakes, from where one obtains one of the most beautiful views in Peiping. The South Lake, though less picturesque than the North Lake has more of immediate historical interest. The south entrance brings us into touch with the love affairs of the great Manchu Emperor Chien Long. For the present gate-tower formed part of the living quarters of the famous "Fragrant Concubine." This lady the fame of whose beauty had come to the ears of the Emperor was the widow of a rebel Mahomedan chieftain and brought back to Peking by one of the victorious Manchu generals. She refused however to have anything to do with the Emperor and committed suicide.

The island on the north side of the lake, is the notorious Yingtai, where the unfortunate Emperor Kuang Hsu was interned after the coup d'etat in 1898, while a huge complex of elaborate buildings on the west bank were the palaces used by the Empress-Dowager herself on the occasions when she had to reside in Peking in the summer months. These latter buildings are not usually open to view by the general public, as they are sometimes still used by local officials as their residence or as places for official receptions.

"Vassal" Delegates Received

To the north in the Chungnai, is another famous building, the Tzu-kuangko (Hall of Imperial Splendour) where the first audiences to foreign envoys were given in the reign of Tsin Chih and Kuang Hsu. This building in which representatives of Vassal States were received was considered the most suitable place to give audience to the envoys of the "foreign barbarians." There was much heart-burning over this question and much ink was spilled over it, but it was not till after 1900 that the foreign envoys were received in the Forbidden City itself.

Just north of the Tzu-kuangko, in this park, is a more modern institution which has also caused a considerable amount of heart-burning and dispute just recently. I refer to the modern swimmingpool where the younger members of both sexes were wont to disport themselves freely, until latterly, when the highly moral and pure-minded authorities suddenly discovered that such bathing was a highly immoral proceeding and issued orders forbidding it. This ban has awakened much indignation, though according to all accounts nobody seems to have taken much notice of it and mixed bathing still continues.

CHINESE police throughout the country are to launch a campaign to raise \$100,000 to purchase an aeroplane to be presented to General Chiang Kai-shek, president of the Executive Yuan and chairman of the Military Affairs Commission, on the occasion of his 50th birthday, on Oct. 29.

NEW BORDER CLASH IN MANCHOUKUO

Japanese Patrol Exchanges Shots with Russians

Tokyo, Aug. 26.

The headquarters of the Kwantung Army to-day announced that a Japanese patrol encountered 20 Soviet cavalrymen in Manchoukuo territory, whereupon the Soviet troops opened fire and the Japanese replied, killing one Russian and forcing the others to withdraw. Following their retirement, the Soviet band was reinforced by 70 mounted men, while

Japanese Fire on Soviet Patrol

Moscow, Aug. 28.

Japanese and Manchoukuo forces were alleged to-day to have fired on a Soviet border patrol near Poltavka, in reports received here from the Siberian frontier. No casualties occurred as a result of the shooting, however, the reports said. The Soviet patrol did not return the fire, it was understood.—United Press.

two machine-guns were manoeuvred into position on the Soviet bank of the Foltiso River.

The Foreign Affairs Commissioner of Manchoukuo has protested to the Soviet Consul-General at Harbin, alleging Soviet penetration of Manchoukuo territory.—United Press.

Japanese Planes

Moscow, Aug. 26.

The Soviet Ambassador in Tokyo, M. Constantin Yourenoff, was instructed to-day to lodge a protest with the Japanese Government against the alleged violation of the Soviet frontier by Japanese aeroplanes operating from Manchoukuo. M. Slavutsky, the Soviet Consul-General in Harbin, was instructed to lodge a similar protest with the Manchoukuo authorities.

According to reports from Khabarovsk, five Japanese planes flew over the Soviet frontier between August 14 and 23, two of them penetrating Soviet territory a distance of 15 kilometres.—Reuter.

Japan and Russia Protest

Tokyo, Aug. 27.

Japan and the Soviet Union to-day engaged in an exchange of protests. Mr. Hachiro Arita, the Foreign Minister, protested against the firing at a Japanese outpost at Utakou, on the eastern border of Manchoukuo, by a troop of Soviet cavalry who had violated the frontier. He is further understood to have drawn the Soviet Ambassador's attention to reports of frequent provocative acts by Soviet border guards along the eastern frontier of Manchoukuo. The Soviet envoy said he would reply after making inquiries of his government.

Meanwhile, Mr. Nicholas Rayvid, Soviet counsellor, called on Mr. Shigenori Togo, director of the Bureau of European and Asiatic Affairs, to enter a protest on the alleged crossing of the Soviet frontier near Khabarovsk by two Japanese military aeroplanes on August 14 and 23.—Domei.

Another Protest

Moscow, Aug. 28.

A protest against an alleged attack on Soviet frontier guards by Japanese and Manchoukuo troops, in the region of Poltavka, has been made by M. Kozlovsky, head of the eastern section of the Soviet Commissariat of Foreign Affairs, to Mr. Sako, the Japanese Chargé d'Affaires. The incident is alleged to have occurred on August 26, when shots were fired at the Soviet guards, who, it is stated, did not reply.—Reuter.

HUNAN APOLOGIZES FOR CHANGSHA BOMBING

Apologies tendered by the Hunan Provincial Government to the Japanese authorities, together with a promise to indemnify the victims of the bombing of a Japanese hotel at Changsha on August 20, have brought the case to a close, the "Shanghai Mainichi" reported on August 24. An unidentified Japanese guest at the hotel was injured in the blast, which slightly damaged the building.

JAPANESE ENCROACHMENT AT TIENTSIN

Tientsin, Aug. 30.

The Tientsin Municipal Government will lodge a strong protest with the local Japanese authorities against the laying out of an aerodrome and the construction of barracks at Lailai, in the southern part of the city.—Central News.

TRAVELLING THE NEW LIFE WAY

Movement's Drastic Changes in China Merchants' Ships

FROM A CORRESPONDENT

In February, 1936, the Ministry of Communications invited the New Life Movement to co-operate in improving the below-decks accommodation of China Merchants' steamers on the Shanghai-Hankow run. Two uniformed New Life Movement inspectors, supported by six gendarmes, were appointed to each steamer and given certain instructions in detail. These have been carried out so thoroughly that both the travelling public and the shipping company have greatly benefited, and were as follows:—

They first cleaned the ships from stem to stern, giving special attention to the low fare accommodations.

They saw that every passenger who purchased a ticket was given a berth and provided with meals.

In order to accomplish this they had to abolish the comprador system had sell berth-numbered tickets at the shore offices and agents.

They added a 4th Class which entitled the passenger to an extremely low price passage, and also provided food.

They reduced the number of stewards to about half the usual number, which immediately resulted in more efficient and courteous service. The long established compulsory squeeze (called a tip) of 100 per cent. of the fare, was reduced to 10 per cent. without compulsion.

They opened a training centre at Shanghai where unemployed stewards might acquire the art of clean, courteous service and thus compete for jobs with those who were careless and discourteous.

They kicked all gangsters, pickpockets, opium runners, rowdies, and loafers unceremoniously off both ships and hulks, and opened a battle that promises to be long and furious between the forces of law and order and a vicious ring that has long held Yangtze shipping in its grasp.

The shipping company appointed the ex-compradors as business agents on their respective steamers, and paid monthly wages to all registered and photographed stewards, making it unnecessary for them to prey upon the passengers.

Ticket Includes Food

These reforms were not accomplished overnight. For the first two months, the small ticket agents, hotel porters, and relatives and friends of the compradors fought the new system, which relatively threatened to reduce their profits and make the shipping company a paying concern. Wily hotel runners worked hard to divert the travelling public to other steamers, but the people were quick to discover the change in atmosphere and accommodations. A passage now costs half the old price and entitles the purchaser, without any question, to accommodation and food. These previously could be secured only by those who were able to bribe the stewards with the full price of a ticket.

Travellers were thus forced to support gangs of parasites, while the company was going so deeply into debt that it could not risk the outfit on normal improvements and replacements. This old system is tottering under repeated blows from the New Life Movement, which, after all, is merely replacing the expensive parasitical past with modern efficient service.

All reform based upon sound economic principles must sooner or later win the approval of the public. For this reason the New Life Movement and the People's Economic Reconstruction Movement are working hand in hand. In this instance all classes travel from Shanghai to Hankow, and between ports, for half the original cost, and receive better value for their money. The shipping company has publicly stated that although it is \$40,000,000 in debt, the books in the past few months show a profit of \$1,000,000 and modern steamers are being ordered to cope with the increase in travel and freight.

JAPANESE druggists and herbalists were reminded on Aug. 25 by the Japanese consulate in Hankow of the sale of narcotics without specific permission from the Consulate-General made both the seller and the purchaser liable to punishment. Before sales of poisons could be made, they were also informed, a record of the address, name and age of the purchaser would have to be taken. This step was taken following the recent revision of the Japanese Foreign Office ordinance referring to the control of the sale and distribution of narcotics and poisons by Japanese nationals in China. The new rules, the papers said, were issued after serious defects were found in the earlier ones which were drawn up in 1928.

JAPAN STANDING BY GEN. HAN FU-CHU

Will Not Have Him Dismissed Because He is Friendly

Changchun, Aug. 30.

Japan will not tolerate the removal of Gen. Han Fu-chu, chairman of the Shantung provincial government, by the Nanking authorities just because he is friendly to the Japanese, said Lieut.-Gen. Seishiro Itagaki, chief of staff of the Japanese Kwantung Army, when he returned from a tour of Inner Mongolia and North China.

"Japan must take a firm attitude in dealing with the anti-Japanese machinations of the Nanking Government," the officer declared. "What struck me most during my trip was the way the Nanking Government has managed to develop anti-Japanese feeling even in the most remote parts of the country."—Domei.

BRITISH GUARDS FIRED ON

Three Men Are Fortunate to Escape Injury

Peiping, Aug. 25.

Gunmen as yet unidentified fired seven shots from a motor-car at three British soldiers here at midnight last night, but without hitting them.

The incident occurred as the soldiers were returning from a cinema to their barracks in the Legation Quarter. They were proceeding along the main east-to-west street, just north of the Legation Quarter, when a big closed car drove up from behind, two revolvers were thrust out, and seven shots fired. The soldiers were then passing the Grand Hotel de Pekin. None of them was hit, but a rickshaw puller was struck on the leg. He was not seriously injured.

After the shooting, the car drove rapidly away. A Chinese policeman on point duty 50 yd. away tried to stop the car, but without success. The man driving, he declared, did not carry a licence number. Because the sky was overcast and the street indifferently lighted, the soldiers were unable to judge the nationality of their attackers.

The British Embassy made representations to the Chinese authorities this morning, requesting that proper measures be taken to protect British life and property.

The three soldiers involved in the incident are all members of the Worcestershire Regiment, which supplies the British Embassy Guard.—Reuter.

RANSOM PAID BUT NO RELEASE

Norwegian Missionary Still Held by Communists

Hankow, Aug. 29.

The Christian Chinese negotiator who left Kichungshan on August 19 with the ransom for Mr. K. I. Samset, the Norwegian missionary who is being held captive by bandits about 70 miles east of that city, returned here to-day after turning the money over to the captors.

The amount of the ransom has not been announced, but Mr. Samset's captors were said to have made additional demands of clothing for Homan and Hupeh communist armies. Mr. Samset was not seen by the negotiator, but hopes remained for his safety since a letter has been received from him recently in which he requested a supply of special food.

The situation in Zansu was reported serious to-day with the red armies breaking up into small bands which were harassing the greater part of the province. The Lanchow-Sianfu bus line was considered unsafe to-day, but government forces were attempting to retain the upper hand.

Missionaries, who have taken refuge at Lanchow, continued to remain there to-day.—United Press.

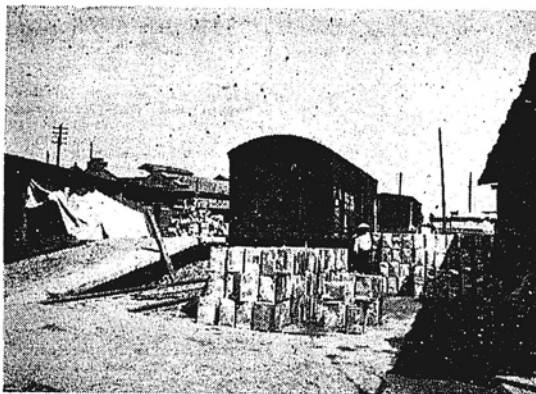
PORT OF LIENYUNKIANG TO BE DREDGED

Hsuehchow, Aug. 28.

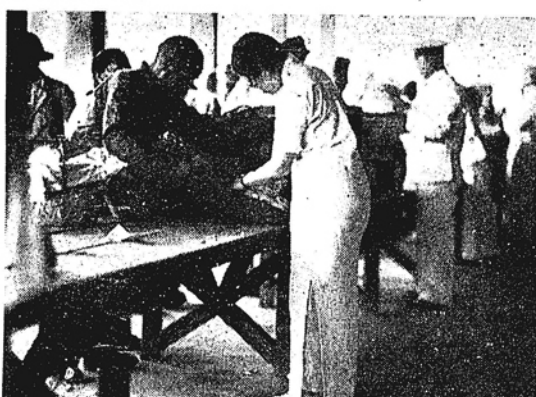
In order to facilitate shipping, arrangements are being made by the Lung-Hai Railway Administration to dredge Lienyunkiang, the new port at the eastern terminus of the railway, in north-eastern Kiangsu. The port originally was designed for bed-ditching vessels up to 5,000 tons, but, on account of the constant accumulation of silt from inland rivers the water is becoming too shallow for large steamers.—Kuo Min.

BITER BITTEN IN NORTHERN SMUGGLING: NEW MOVE ANTICIPATED

By Courtesy of Mr. H.S. "Newsreel" Wong.



The depression in Tientsin, caused by wholesale smuggling, has commodities and the effective Customs preventive measures have The outlook is generally regarded as gloomy, as the smugglers shows a train-load of kerosene tins smuggled into Tientsin and



rebounded on smugglers. The city is overstocked with tax-evaded prevented the goods from being transported to south China by rail. are seeking new means to carry on their trade. Picture at the left that at the right the inspection of luggage by Customs officers.

NORTH CHINA TO LEGALIZE SMUGGLED GOODS

Hopei-Charhar Council to Impose Tax of One-Eighth of Present Customs Scale

Tientsin, Aug. 31.

ACCORDING to both the Chinese and Japanese newspapers here, the Hopei-Charhar Political Council has decided to levy, from to-morrow, a tax amounting to one-eighth of the national Customs tariff on "special goods" entering Tsanghsien and Yenhsien, south of Tientsin. Goods which pay the tax, the newspapers add, will have the "protection" of the authorities.

This decision practically legalises the importation of merchandise which hitherto has been liable to seizure by the Chinese Maritime Customs as contraband and which will now have free access to Hopei and Charhar and thus be able to filter with little hindrance throughout the rest of the country.

The new tax will be collected by the "Chief Inspectorate" of the Hopei Charhar Political Council operating virtually as an independent Customs administration. Under the new arrangement the whole sea coast of Hopei province represent a wide breach in the Chinese tariff wall, as the part north of Tientsin, which is controlled by the East Hopei "Autonomous" Government, already admits goods at one-fourth or less of the national import duty.

A serious blow is thus struck at the East Hopei and the regular Customs revenues, although it will mean the enrichment of the Hopei and Charhar Political Council Treasury.

Officials of the Council, on being questioned this morning concerning the matter, were reluctant. They neither confirmed nor denied the report, but stated that the subject was still under consideration.

Reliable Chinese sources, however, affirm that orders regarding the new method of taxation were issued last night to collection offices and other authorities concerned.—Reuter.

Smuggling Negligible
SPECIAL TO THE "N.-C. HERALD"

A swing of the pendulum has occurred in the North China smuggling situation. Overloaded with large stocks of goods which have evaded duty, the smugglers are now confronted with the larger problem of their disposal.

Time was when the financial authorities of the Central Government, faced with a loss of revenue to the amount of \$2,000,000 a week, frantically devised measures to cope with the problem. The Customs preventive service had been rendered ineffective owing to the difficult political situation. Trainloads of goods, sometimes as much as 900 tons a day, were brought down to Tientsin. At the time, it seemed utterly impossible to check this influx without causing diplomatic complications.

To-day, a different state of affairs exists. Japanese and Korean smugglers, who enjoyed the fruits of the illicit trade, have, in several instances, approached Chinese merchants to assist them to secure the Customs receipt by paying duties so they may send their goods to South China. The quantity of tax-evaded goods arriving at Tientsin during the past weeks has become negligible compared to the average quantity brought to Tientsin in former months.

Effective Customs Barrier

The conviction in Tientsin is that the backbone of smuggling has been broken and depression has hit the smugglers. The Customs barrier erected to the south of Tientsin has produced the desired effect on the smugglers. Whereas large quantities of smuggled goods were previously transported by rail southward to the Yangtze valley for bigger markets, new preventive measures devised by the Chinese authorities have halted such movements.

Tientsin is overstocked with smuggled goods and the blockade has in turn created a problem for the smugglers. Prices of commodities smug-

collected by appointees of the Council.

Goods in Tientsin

While the exact quantities of smuggled goods now stored in the Japanese Concession in Tientsin can not be ascertained, an estimate by Chinese circles puts the total value at about \$10,000,000. At least 300,000 bags of sugar, 3,000 cases of artificial silk and 100,000 cases of kerosene, in addition to other commodities, may be found in godowns in Tientsin. The prices of these goods have been reduced from time to time. For instance, a bag of sugar, sold at over \$30 in Shanghai, is obtainable at \$14 and even at a lower price in Tientsin. Likewise, a case of artificial silk of 200 lbs., valued at over \$400 in Shanghai, is sold at

All Knowledge of New
Rates Disclaimed Here

Shanghai, Aug. 31.

The Central Government spokesman here yesterday disclaimed all knowledge of the new levy, declaring that the Nanking authorities had not heard of any such order being issued by the Hopei-Charhar Political Council. He added that, if the Hopei-Charhar Political Council had decided to impose a levy, it must refer to a local tax and had nothing to do with the national Customs tariff.—Reuter.

\$160 in Tientsin. Unless these goods can be disposed of in good time, prices will further drop, and a greater loss will be suffered by the smugglers.

There is no chance for the smugglers to transport the goods southward to the Yangtze valley. By order of the Ministry of Finance, all merchants who transport imported goods from the north of importation to other places for sale, either by trains, inland water steamers, junks or motor vehicles, etc., must produce to the Customs the relative documentary proof of duty payment and apply for a conveyance certificate, after which transportation may be effected.

By a Government decree, a sentence of between three and seven years will be imposed on those who evade Customs duty. The punishment for evasions of Customs duty amounting to \$1,000 or more is penal servitude for a period of not less than seven years and not exceeding ten years; for evasions of \$5,000 or more, penal servitude for ten years or more; and, for evasions of \$10,000 or more, death or penal servitude for life. Those who transport, sell or conceal goods, which they know to have evaded Customs duty, are to be sentenced to penal servitude for a period of not less than three years and not exceeding seven years.

Last Seizure on Train

Chinese Customs authorities have also established a special bureau to inspect goods on the Tientsin-Pukow and Peiping-Hankow railways. The last seizure on the Tientsin-Pukow railway was made on July 21, when over 250 bags of sugar and parcels of artificial silk yarn were unloaded from a train by the railway police. Chinese soldiers and the Customs officers, one station south of Tientsin. More than 25 minutes had been required by the Korean smugglers to put these goods on the train at Tientsin East Station. When the Chinese authorities seized the goods, every man on the train volunteered his help so that the goods were unloaded in five minutes.

Smugglers are not using motor trucks and mule carts to transport

their goods out of Tientsin at night. Sometimes these goods are loaded on canal boats to be sent southward. The Customs authorities are understood to have devised measures for the re-opening of the native customs barriers to deal with this new situation. The barriers were formerly erected some distance outside Tientsin to collect native customs dues by the Government, but were closed after the abolition of likin. Among the places where these barriers are located are the following: Wang Chuan Chang, Cheng Hsi Men, Hsi Pei Men, Nan Men, Wai Hsiho (river) and Hsinkingho (river).

Registration of Goods

Chinese merchants have organized among themselves anti-smuggling associations and are required to register stocks of raw materials with their respective guilds and their books and works are open to inspection for possible purchases of smuggled raw materials. Even in Tientsin, smuggled goods from the Japanese Concession, delivered at a Chinese shop or factory in Chinese territory, is liable to seizure at present. Many such seizures have been made.

In order to encourage people to aid in the detection of smuggled goods, 50 per cent. of the proceeds from the sale of the confiscated goods is given to the informer as a reward. As a result of this, hundreds of cases are being reported monthly to the authorities.

Gen. Feng Yu-shiang has arrived at Nanchang from Kuling, where he has been spending the summer. He is expected to return to Nanking by train, via Hangchow.

SUIYUAN SITUATION
EXPLAINEDJapanese Not Involved, Nor
Contemplating Action

Peiping, Aug. 27.

The Kwantung Army did not contemplate action in Inner Mongolia in the near future, Gen. Itagaki, its Chief-of-Staff, told correspondents on his return to Peiping to-day from Suiyuan. "I have never dreamed of such a matter," he said.

Gen. Itagaki denied that there were any Japanese troops at Changpei, but there were, he said, three or four Japanese instructors at the Mongol Military School there. This was a "general school" at which some military subjects were taught. His version of the recent fighting in Suiyuan was that only bandits were concerned. They were first repulsed by Suiyuan troops, and then attacked and completely defeated by Charhar forces.

Asked what he had discovered concerning the attitude of Gen. Fu Tso-yi, chairman of the Suiyuan provincial government, Gen. Itagaki laughed, and replied:—"Nothing."—Reuter.

JAPAN TO BE BOLD WITH
THE SOVIET

Tokyo, Aug. 28.

Outspokenness will be the keynote of the attitude of Mr. Mamoru Shigemitsu, the new Japanese envoy to the Soviet Union, he indicated to-day, when he said he intended "to say what he had to say first and then to tackle the problem. The success or failure of Japan's Soviet policy, he said, lies not in its nature, which always has been the same, but in its bold, open, and yet thoughtful application.

"Essentially, I believe that Japan will continue unchanged her policy of non-menace and non-aggression," said Mr. Shigemitsu. "However, so long as the Soviet Union continues to increase her forces in the Far East, we shall have to bring ours up to the same level. I believe that, if diplomatic negotiations are to take place for a readjustment of the relations between the two countries, they should take place after this balance of power is secured."

Questioned on his opinion as to the conclusion of a Soviet-Japanese non-aggression pact, Mr. Shigemitsu said he believed the time was not suitable, but said it was gratifying to note the increasing interest shown in Japan in the country's attitude towards Russia, when it was realized that Japan's continental policy hinged on two factors—China and the Soviet Union.

The staff of the Shanghai Y.M.C.A. will spend Wednesday to Saturday this week in their autumn Setting-Up Conference at the Garden Hotel, Soochow.

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OXFORD GROUPERS AT PEITAIHO

Training-House Party of 150 Members, of 12 Nations:
Remade World Through Remade Men

On August 4 Peitaiho was the scene of an inebriated mobilization of men and women who were trying to find how, by living revolutionary Christian lives, they might bring peace to a Far East constantly troubled by the threat of war. In the finely-situated mission conference grounds at Rocky Point, 150 members of the Oxford Group movement, in China, Japan, Manchuria and Korea met to review the progress of the work during the past year and to plan for the future.

Coming from places as far apart as the Philippines, Northern Manchuria, Hongkong, Japan and Formosa, they represented over twelve nations and at least as many different walks of life. Business men, educators, missionaries, doctors, nurses, housewives and customs and consular officials were included in the gathering which remained in session for eight full and active days. Among those present were Dr. and Mrs. W. B. La Force, who were connected for many years with Tsing Hua University, Peiping, and had travelled from Pasadena, California, for the occasion; Bishop Root, of Hankow; Mr. Eric Schjot, consul-general for China in Oslo, Norway, who is at present visiting this country on a trade mission; and Miss Dorothy Tso, principal of St. Hilda's School, Wuchang. From Shanghai came Mr. K. S. Lee, an exchange broker; Dr. Richard Wong, of the Red Cross Hospital; Dr. Donald Farquharson, of the Lester Hospital for Children; Rev. Z. H. Tong, of South Gate; Rev. Eugene Davis; Mr. Wang Kwei-shung; Mr. Raymond Kang; Miss Dorothy Forshaw; Dr. and Mrs. James L. Maxwell and their daughter, Miss Meredith Maxwell; Miss Margaret Walton, and others.

This training-house party was a vivid demonstration of the comment by the Hon. C. J. Hambro, president of the Norwegian Parliament, that he saw more hope for peace in the Oxford Group than in anything else in post-war Europe. Those connected with the movement believe that the only adequate solution for international and racial antagonisms lies in bringing about a radical change in the hearts and minds of individuals in the different countries. During the days spent together at Peitaiho, small groups of Chinese and Japanese students were frequently seen planning how to meet the needs and direct the enthusiasm of the youth of their respective countries. Many striking illustrations were given to support the statement of Dr. H. H. Kung, Chinese Minister of Finance, that "the Oxford Group is a movement which transcends geographical divisions, racial distinctions, party differences and class conflicts."

United Christian Front

Personal prejudices could not withstand the searching challenge of the need for a united Christian front across the national barriers. Two young pastors from China and Japan respectively found themselves sharing a room, for instance, and becoming firm friends after a 24-hour contact, despite the fact that the Chinese had made up his mind that the Japanese would not even speak to his companion. Each admitted the shortcomings of his country and together they sought a solution through the multiplication of changed lives.

Interested to know the secret of the harmony and happiness which characterized this varied gathering, the Chinese servants asked for a meeting of their own and a new light was thrown on the "servant problem" by their action in handing over, on two occasions, sums of money which had been left in the dining-room.

At the request of many visitors to Peitaiho, a public meeting was held on the evening of Saturday, August 8, in the crowded Assembly Hall, when "A Remade World Through Remade Men" emerged as the keynote of the addresses. These soul-stirring calls to action re-echoed the statement made by the Marquis of Salisbury in the course of a recent House of Lords debate:—"What we need, in the words of a remarkable movement now at work in this country, are God-guided personalities to make God-guided nations to make a new world." Among the speakers were Bishop Root and his daughter Frances, a Chinese doctor from Shanghai, the honour student of a Japan University and the wife of a retired American physician who brought news of the recent Oxford Group Assembly for North America at Stockbridge, Mass., which was attended by about 10,000 people from many different countries. Evidence was given of a growing influence on national life in England, Norway and Denmark. From the latter country has come an Oxford Group song

entitled "Bridge Builders," the theme song of the film portraying the Christian revolution which has swept the land. Sung at the conclusion of the Peitaiho meeting by a youthful chorus, it expressed the creative quality of life necessary to span the widening gulfs of our generation.

"Peace on Earth"

That peace on earth is available to men of goodwill was more than once evidenced during the conference. Men and women tried to discover their own particular responsibility for bringing harmony to a mal-adjusted society. Recriminatory exchanges were conspicuously absent from the discussions which took place on international questions.

One enlightening incident occurred when an emergency call for volunteers to move a piano was answered by the youthful sons of eight nations, who afterwards sang lustily the chorus of "Bridge Builders" as one of their number played the accompaniment. It was this sort of readiness in the spirit of adventure that relieved the tedious hours of problem study. In the good-natured and healthy-minded atmosphere thus created personalities tended to disappear; only the welfare of the whole was important. Tasks were cheerfully undertaken in the hope of solving vital problems in business, home, hospital, school, village and church. The Oxford Group believes that there is a happy answer to the needs of the world to-day.

Those who went from the Peitaiho gathering will reach for that answer in the countries of the Far East. Some of them are already searching for it in Japan, a party of about a dozen, including three Chinese and one Formosan, having gone on from Peitaiho to the two Oxford Group house parties, one in English and the other in Japanese, which are now taking place at Karuzawa.

SHANGHAI GIRL FOUND IN KULANGSU

12-Year Old Slave Purchased for
A Total Sum of \$312

FROM OUR OWN CORRESPONDENT

Amoy, Aug. 22.
In Kulangsu a notice was posted for two months to the effect that this year all adopted children must be registered with the municipal council. Not one registration entry was made, so it had to be assumed that Kulangsu was exempt from this peculiar Chinese form of child slavery. Last Friday morning at four o'clock, a little girl, some twelve years old, went weeping to the jetty and asked a sampan man to take her to Sung Soo, which is on the mainland, and is the starting place of the motor-buses for Changchow.

An old sampan man soothed the little girl and asked her why she cried and why she wished to go to Sung Soo. The child told him that she came from Shanghai; she had been bought there by one Eng Guat who had a shop quite near to the jetty. The price he paid to purchase her was \$312. She stated, further, that because her mistress beat her daily she wanted to run away to Changchow.

The sampan man took her to the Municipal Police Office, where she again told her story. Eng Guat was sent for and asked why he had not registered the child according to the notice that had been before the public so long. The body of the child was examined; it was found to be covered with great blue weals, the result of many unmerciful beatings. The child was sent to the home that Kulangsu supports for children of this description.

COMMUNIST BANDITS TRAPPED BY MINES

Sian, Aug. 30.
A grim battle, lasting for two nights in succession, was fought between the defenders of Mingshsien, in southern Kansu, and large forces of Communist bandits from northern Szechuan and Sikong, on August 24 and 25. The desperate attempts of the bandits to occupy the walled city of Mingshsien were frustrated. Their third attempt, on August 28, also ended with tremendous loss of lives for the bandits, who were trapped by mines laid by the Government troops southeast of the city. The terrific explosion of the mines apparently shattered the moral of the bandits considerably, because they have not repeated their onslaughts on Mingshsien.—Central News.

CANTON POWER CO.'S TROUBLES

Evils of Chen Chi-tang's Administration

FROM OUR OWN CORRESPONDENT

Canton, Aug. 19.
All the vicissitudes that the Canton Electric Supply Co. has experienced are recounted in a printed history that the old Board of Directors has circulated. The attention of the public and the Government is to be focussed on the question of the restoration of the plant to the private investors. An extraordinary meeting of the shareholders is being called, whereupon a petition will be sent in, calling for the ending of public ownership.

The company was organized in 1907. Of the \$1,500,000 capital, the Government subscribed half, but by the second year of the Republic all of the Government's shares had been assigned to private owners. The original power house could furnish only 2,000 kilowatts of electricity, but by 1932 the capacity had been increased to 24,000 kilowatts.

The output should have been sufficient to give a first-class service, had not Chen Chi-tang and Mayor Lam Man-kol endorsed the stealing of electricity by all in the government service, by persons who had influence in the Kuomintang, by labour unions, and by various other organizations. With many exempt from paying for current consumed, there was a tremendous wastage until lights had to be dimmed all over the city so that there would be enough electricity to go round.

"Excessive Charge"

To make life more miserable for the electric company, the Government found fault with the "excessive" charge of 25 cents per unit which, though high, under the circumstances, did not bring in enough to cover expenses. The rate had to be reduced to 20 cents, and the company was ordered to acquire more dynamos so that the capacity of the plant would be increased. Two dynamos were subsequently installed, each capable of producing 1,000 kilowatts, and these were put in a new building on the Honan side of the Pearl River. It cost \$1,200,000 to provide this auxiliary power station.

The Government then found fault with the service and Commissioner Tang Yin-wah, of the Reconstruction Department, was made responsible for an improvement. As long as Mr. Tang remained in office restrictions were not onerous, for he never moved without consulting the company's officers first. After he retired, however, matters went from bad to worse, and in 1930 the municipal government assumed control of the plant. In June, 1931, the company should have been restored to the private owners, but the period of public control was extended. On July 8, 1932, an order appeared by virtue of which the officers elected by the shareholders were ousted, and ownership by the Government became a fact.

Private investors then had about \$10,000,000 tied up in the property of the electric light administration. None of what they had invested has ever been paid to them by the Government, nor had any interest. Contrary to the policy (which it had been demanded should be followed) of reducing the rate for current, the Government raised it to 25 cents per unit; two cents was supposed to be for education purposes and three cents for reconstruction purposes.

New Plant Being Built

A large, new plant is now going up at Saichuen, and those connected with the old private company have ascertained that it was the intention of the regime that has since been deprived of its power to hand back the old plant to the shareholders once the new one began working. Accounts would thus be deemed to be squared, but the shareholders would have had to scrap the old plant. This would have brought very little, giving them back only a few cents on the dollar of what they had sunk into the enterprise.

The land on which the new power station is being erected at Saichuen was acquired with power income. Out of this income, the buildings are being constructed, and the dynamos bought. The shareholders therefore contend that their money made the more up-to-date power house possible, and that it as well as the more antiquated plant on the Bund, should be given into their hands, and service for all Canton should, as before, be furnished by the company which they founded.

The Central Government has decided to appropriate a fund for the repairs of the famous marble budhas at Yungkiang.



"N.-C. Herald" Photo.

Bishop-Designate

The Rev. Dr. Paul Yu Pin, who will be consecrated Bishop at Peiping next month and will head the new Independent Vicariate Apostolic of Nanking. Dr. Yu Pin was one of the leaders of the Catholic Action Congress in Shanghai last September and is well known here.

REINCARNATED DALAI LAMA FOUND

Whereabouts of Child Being Kept Secret

SPECIAL TO THE "N.-C. HERALD"

Simla, Aug. 31.
Well-informed travellers from Tibet declare that the search for the child in which the Dalai Lama has been reincarnated, has undoubtedly been successful.

The whereabouts of the child, however, is being kept secret, but is vaguely described as in a two-storied house somewhere in Mongolia, Manchuria or South Tibet.

An announcement is expected to be made on the return of the Tashi Lama, for whom the British political officer now in Lhasa is understood to be working.—Reuters.

TYPHOON'S TOLL IN KOREA

Train Trapped in Tunnel by Landslide

Heijo, Aug. 28.

Heavy rains, heralding the approach of a typhoon, yesterday caused heavy damage along the southern coast of Korea, reports reaching here up to 10 o'clock last night said. Damage to telephone and telegraph lines impeded the collection of complete data.

Six persons were killed and seven others injured when a train was trapped by a landslide in a tunnel between Mazan and Shinshu, west of Fusan.

Another landslide on the southern coast brought death to ten persons. Six bodies have been recovered so far, dispatches said.

With heavy seas running in the Tushima Straits at the approach of the typhoon, the Fusan-Shimonoseki ferry service was suspended last night.

About 70 metres of track were also washed away near Shinel station by heavy rains. Precipitation in Keisho Nando province totalled 237 millimetres in 24 hours.—Domei.

Death Roll Mounts

Tokyo, Aug. 31.

The latest tabulation by the Korean Government to-day placed the number of deaths suffered during the typhoon which swept the Peninsula several days ago at 1,939. Another 1,755 persons were reported injured and 924 missing.

The gale was said to be subsiding to-day, and rivers which overflowed their banks to destroy several villages were reported to be receding. All foreigners in the area are thought to be safe.—United Press.

HOPEI RAILWAY PLANS CHANGED

Tsin-Shih Line Expected to Cost \$15,000,000

The Hopei and Chahar Political Council has decided to alter the plans for the Tsangchow-Shihchiachwang railway line.

According to the new arrangements, the line will be extended from Shihchiachwang to Tientsin and will be known as the Tsin-Shih line. The line covers a distance of 280 kilometres and the cost of construction is estimated at approximately \$15,000,000. The work will start some time in October and will be completed within one year.

A loan will be made from the South Manchuria Railway Co. for material and other equipment says the "Sun Pau"

MILITARY POSITION OF KWEICHOW

Government Troops Hold Important Posts

SPECIAL TO THE "N.-C. HERALD"

The military authorities in Kweichow have made ample arrangements to deal with the present situation for several divisions of Central Government troops hold important points at and near the southern border including Tuyun and Tahshan which the Kwangsi troops had vacated, while troops are also available to deal with the robber bands infesting so many of the districts. It is widely reported that some of these bands consist largely of disbanded or deserting men of the old 25th (Kweichow) army. And considerable numbers of the former 25th men are in Kwangsi, planning to come with the Kwangsi troops if and when they invade Kweichow, hoping of course that they may yet recover their former position.

There are rumours that the communists under Chu Ho and Hsiao, now in Sikang are once more on the border of Yunnan in the hope of breaking through into that province and perhaps Kweichow.

It is a great burden on the people of Kweichow to "entertain" the large numbers of troops who quarter themselves on them, but under the circumstances it is presumably unavoidable. On the whole, the genuine Central Government troops are well behaved and considerate of the people but some divisions recruited from robber bands who surrender can be very brutal and there is seldom any redress.

The people are rejoicing that the prolonged drought has been broken at last by heavy rains. Since then sun and rain have alternated and there seems every prospect of a good harvest.

Probably something is being planned at any rate for opium suppression in Kweichow but so far opium dens are to be found everywhere young men are still picking up the habit and the drug is openly for sale. Only a few days ago a lot of opium was spread on the main street, opposite to where I am at present staying, drying in the sun and I saw two or three men smoking it on the market place. I am told that the taxes on opium lamps and opium dens are now being increased, so perhaps the idea is to "choke" the use of the drug in that way.

A full parade of all units of the Tientsin British Municipal Emergency Corps was held at the Corps Headquarters in the northern port on August 18, the object being to bid farewell to the departing Adjutant of the Corps, Captain C. P. G. Wills, who left on Thursday, via Siberia, for the United Kingdom after having served for seven months as Adjutant to the Corps. Following the inspection, members of the Corps assembled in the Headquarters Mess Room where Captain W. Ridler, in a brief speech, commented on the remarkable change which had come over the Corps since Captain Wills had been Adjutant. In Captain Wills, he said, the Corps were losing a close friend. He then asked him to accept a silver tray, inscribed with the Corps Crest and the wording "From the Officers and members of the Tientsin British Municipal Emergency Corps," as a memento of his service with the Corps.



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MUKDEN'S SPLENDID SPORT FACILITIES

Enthusiasm Displayed by Foreigners: Japan Participants Increasing

FROM OUR OWN CORRESPONDENT

Mukden, Aug. 24. This season's series of tennis tests at the Mukden Club, Sunday afternoons, has contributed largely to the enjoyment of the members. Two or more members have been hosts each Sunday, and on August 23, Messrs. Haag-Petersen, Marshall, Giles and Hewitt provided the refreshments for one of the most successful of the season. A team from the South Manchuria Railway were guests on that day and a series of matches were played between them and team chosen from among the Club members.

The Mukden Club succeeded in winning the three men's doubles, two of the men's singles and one of the mixed doubles. The other mixed doubles match was declared a draw, with the score at set-all and 6-all in the deciding set, each pair having taken nineteen of the 38 games played.

In the last match of the day Noda of the Railway defeated Andre Boixo, many times champion of the Mukden Club. Boixo, who has been on the courts but three days this season, had already taken part in three strenuous sets of doubles, which had required 38 games to decide, but was convincingly out-classed by his opponent whose agility on the courts was most astonishing for a man 55 years of age.

The detailed scores follow:—

MEN'S DOUBLES

Boixo and Barbat v. Motoki and Oki—5-7, 8-6, 7-5.
Marshall and Dew v. Miura and Kimura—5-8, 4-6, 6-4.
Langdon and Parkinson v. Minami and Kogure—7-5, 6-1.

MIXED DOUBLES

Mrs. Davis and Hobson v. Miss Okura and Kogure—6-3, 6-3.
Mrs. Love and Giles v. Miss Inoue and Oki—6-4, 7-9, 6-6. (unfinished).

SINGLES

Barbat v. Motoki—6-3, 6-2.
Langdon v. Miura—2-6, 6-2, 6-1.
Noda v. Boixo—6-0, 6-3.

Various Outdoor Sports

Sports have long contributed in no small measure to the pleasures of life in the foreign commercial community of this city. The Golf Club, whose excellent nine-hole course is pleasantly recalled by many visitors was a separate organization, now absorbed in the new International Golf Club, which, through the enthusiastic work of its prominent Japanese members, will soon boast a new eighteen-hole course, laid out by one of the best known golf course architects from Japan, and a beautiful modern Club House.

The Mukden Riding Club has had a chequered existence and the number of members has varied widely with the frequent transfers normal to the foreign community. In times past, Mukden Club members have had in training, in addition to their old ponies, no less than 42 griffins for the Spring races at Newchwang. Later a few enthusiasts raced their better ponies at the Mukden Japanese Race Club. Now racing is conducted under government auspices, and though the new track and buildings here are one of the finest in the country, foreigners no longer compete and riding is confined to a small group of the Club members.

The Club's outdoor swimmingpool has proved one of the most popular additions to its premises and though the temperature of 58 degrees Fahrenheit, which is registered when the pool is freshly filled with well-water, daunts all but the hardiest swimmers, yet the sun's rays soon warm the water. The pool is well patronized, particularly by the children of the community during the hours when their elders are otherwise occupied.

During the long winter the tennis courts are flooded and skating furnishes excellent exercise for a large number, flood-lights enabling the rink to be utilized even in the evening. Squash-courts, badminton-courts and bowling alleys were added to the Club equipment when the membership was at a maximum, most fortunately for the present members, who would probably not feel justified in financing such improvements in these uncertain times and with a greatly reduced membership.

Sports Field Sequestered

The sports field adjoining the Club premises, the use of which was obtained through the courtesy of Marshal Chang Hsiao-liang, formerly witnessed hockey games and an occasional football match. It has been seized by Manchoukuo and the towering buildings of the new Central of the Manchurian Telephone and Telegraph occupy most of the space with block of residences for

their staff coming close up to the Club buildings.

Naturally, the athletic facilities for Japanese in Mukden entirely overshadow those enumerated above. The numerous educational institutions all have well equipped playing fields, and the South Manchuria Railway Company has been particularly generous in provisions for the Railway Town. Its International Stadium is a model of its sort. An excellent baseball park adjoins it, while a huge swimming pool nearby accommodates a vast number of bathers.

Although tennis is very popular, baseball seems to have the greatest number of adherents and throughout the warm weather, from one to three baseball games are in progress on nearly every large open lot in the Japanese town. Basketball, volleyball, soccer and rugby are played, while skating brings out huge crowds during the long winter. In fact so much skating practice is afforded that Mukden schools seldom fail to give a good account of themselves in the Japanese competitions and have furnished many winners in the all-Japan tournament.

The great influx of recent graduates from Japanese universities and schools, required to visit the new or greatly enlarged Japanese undertakings here, has naturally raised the standard of athletics. The enthusiasm shown for all branches of sports bids fair to produce some outstanding performers and plainly shows one reason for Japan's excellent showing in the recent Olympic Games.

NEW TRANS-HOPEI RAILWAY

Peiping, Aug. 26.

The South Manchuria Railway is to provide material and technical experts for the new railway to be built across Hopei, linking Tangchow with Shihchiachang. It was announced to-day by Mr. Sogo, general manager of the Hsinchung Co., a branch of the South Manchuria Railway Co., who is charged with plans for the economic development of North China. Mr. Sogo has been conducting negotiations with the Peiping-Mukden Railway on behalf of his company, and the decision to use Japanese material and technical experts for the new line is a result of their successful conclusion. It has also been decided that the S.M.R. shall finance the project and recruit the necessary workers. Mr. Sogo left for Tientsin to-day.—Reuter.

DARING GAOL BREAK IN ANYANG

Kailfeng, Aug. 30.

A daring gaol break occurred yesterday in the prison at Anyang, northern Honan. Taking the guards unaware, fourteen prisoners seized their pistols and swords and rushed out of the prison gates to freedom. One guard who tried to block their way was knocked down and seriously wounded.

Police and gendarmes immediately set out to track down the gaol-breakers and seven fugitives were recaptured. The other seven are still at large.—Central News.

REDUCTION IN CHARGES FOR TELEGRAMS

Nanking, Aug. 25.

Beginning September 1, the rate for intra-provincial telegraphic messages will be reduced from ten cents to seven cents per word, the Ministry of Communications announced to-day. In the meanwhile, the existing rate of ten cents per word will remain in force.—Central News.

SENTENCES of hard labour were passed on the three soldiers of the Royal Ulster Rifles found guilty on August 12 at the Hongkong Criminal Sessions of assaulting and robbing a taxi driver on July 6. Rifleman Thomas Todd and Sydney Brown were sentenced to two years with hard labour, and Rifleman Thomas Parks to eighteen months with hard labour. Todd said that the intention was to drive "over the frontier" in the taxi. Brown admitted rendering Leung Yiu, the driver, unconscious with his fists, but Parks, supported by his comrades in crime, maintained that he stood further up the road during the assault. The driver staggered into Laihekikok Prison, bleeding from the nose and mouth. He said he had been assaulted, robbed, gagged, tied up and left by the roadside. When he recovered consciousness he managed to release himself and crawl down the hill for assistance.

VISITORS COME TO TACHIENTU

Interest in Lamaseries and Geomorphology

By TIBETAN

Tachientu, Aug. 15.

J. Hanson-Lowe, and Julian Bell, left Tachientu for the plains below. They had only a few days in this border city but they filled them with all that was to be seen, heard, and explored. On Monday a visit was paid to the large caravansary, the Wasija, and the charming young Aja poured them out some butter-tea. The young Tibetan lady was most polite and courteous and while the young men examined what was to be seen she was quite prepared to answer whatever questions were asked.

The Wasija was burned some years ago so has lost much of its former glory. The Chinese Ambassadors from the Imperial Court at Peking when on their way to the sacred capital of Lhasa usually spent a considerable time in Tachientu and made the Wasija their headquarters. Before the fire, the house was filled with beautiful presents, the gifts from the different ambassadors. From this point of view the house was well worth visiting. The Wasija has its own private temple and prayer-house and this the young visitors carefully explored. One round of the cylindrical prayer-drums and millions of prayers are placed to the credit of those who turn them.

From the Wasija the visitors went to another prayer-house containing an enormous cylindrical prayer-drum, which, we were told, contained millions of prayers. An old man, paid by some other devotee, was slowly and labouriously turning the huge drum, and at every turn a bell tinkled, registering another round. From there the visitors went to the to the Saja Lamasery and witnessed the lamas performing their morning service. The lamas and drabsas were very friendly and prepared to let the young men explore the temple. On the left hand side entering the temple there was an excellent drawing of the Wheel of Life which interested the travellers.

Climbing Jedo Pass

On Tuesday the Dorjedra, the Red Sect lamasery was visited and the private cells of the lamas explored. Here again the lamas and drabsas proved themselves friendly and were quite prepared to let the visitors see all that was to be seen. On Wednesday, Mr. H. D. Bryan, H. M. Vice-Consul in Chungking, and Mr. J. Hanson-Lowe left for Jedo to climb to the top of the Jedo Pass, 15,000 feet above sea level. It rained the day they left, but on Thursday, the day they climbed the pass the weather was simply glorious and enabled the travellers to get a magnificent view of the Tachientu snow range, and also to get a good view of the grasslands on the other side of the Jedo. To Mr. Hanson-Lowe the experience was worth while as he is doing geological research work in the Academic Sinica, Nanking. He has done some research on the Yangtze and so was very keen to see the Tibetan grasslands. He is a keen student and at present is doing special work in geomorphology.

Mr. Bell, a young Cambridge graduate, is teaching literature in Wuchang and decided to spend his summer holiday in a visit to the Tibetan frontier. While the two other visitors topped the Jedo he borrowed a gun and climbed the mountains around Tachientu in search of game. We got somewhat anxious about him as the day went into night and there appeared to be no sign of the hunter returning. Like the harassed parents of whom Kinglake writes, "We saw him dying when he climbed, and climbing when he died." However he got back safely between eight and nine o'clock—having seen a large herd of something! Fortunately Mr. Yeh, one of his students, and a coolie were with him. The climb was pretty rough and dangerous and Mr. Yeh had all he wanted during the vacation. A visit to the Tibetan race course on Thursday concluded Mr. Bell's adventures on the Tibetan frontier.

Mr. Bryan was keenly interested in everything Tibetan and made every effort during his short visit to see as much as possible of the people who live and move on the Roof of the World.

A JAPANESE CANARD REFUTED

Peiping, Aug. 27.

A report appearing in a local Japanese paper, to the effect that a French Vice-Consul in Peiping was remanded by two British soldiers in Tung Chang An Street, on the night of August 24, has been categorically denied by both the French and British Embassies here.—Central News.

LUXURIOUS LIVING RUINING CHINA

People Copy Westerners, but Ignore Healthy Habits

Kuling, Aug. 27.

The luxurious ways of living of many a well-to-do Chinese were scathingly criticized by Gen. Feng Yu-hsiang, who has been spending his summer at Lushan, the popular mountain resort in Kiangsi. "Living as they do, in costly Western ways, but refusing to learn the good points of the Westerners, it is no wonder the Chinese nation is rendered weaker and weaker every day," the general remarked with a sigh.

The general's comments were prompted by a dinner he had recently with several foreign friends. He was deeply impressed by the simple food (only two courses) with which his hosts entertained him, and, still more, by the fellowship and warmth, not devoid of politeness and friendliness, which pervaded throughout the dinner.

While deploring the prevalence of hypocrisy and extravagance in Chinese society, Gen. Feng also took exception to the ways of living of many Chinese on holiday at Kuling. They imitated the Westerners in enjoying every material comfort, but they failed to emulate the healthy habits of the foreigners who eat simple food and walk with their chests out, he said. When descending or ascending the mountain, very few foreigners ride in sedan chairs, which is exactly the reverse for Chinese. This, in the opinion of the general, is another indication of the physical degeneration of the Chinese.—Central News.

More than 60 bandits, under one Chang Lien, were killed during an engagement with police near Shan-haikuan on the night of Aug. 28, according to belated reports received at Tientsin.

BUILDING CHINA'S LONGEST RLY.

Hunan to Kweichow Line to Cost \$15,000,000

Changsha, Aug. 24.

Roadwork on the longest and one of the most difficult railway projects ever undertaken in China, the Hunan-Kweichow line, has been started. Linking Chuchow, the crossing point of the Canton-Hankow and Chekiang-Kiangsi railways, and Kweiyang, the capital city of Kweichow, the line will measure 1,000 kilometres and will entail an outlay of \$15,000,000.

At the crossroad of the Hunan-Kweichow line and the Changsha-Paoching highway, a 787-metres bridge will have to be built across the longest river in Hunan. Costing \$2,000,000, the bridge, when completed, will rank next to the Chienlang River bridge, in Chekiang, as the longest in this country. Two bridges of 500 kilometres each will have to be erected to span the Tzu and Wan rivers. The construction cost for each conservatively is put at \$1,000,000 upwards. Besides these three main bridges, the line will have 300 small bridges. Public tenders for the construction of the Hsiang river bridge soon will be invited and it is expected work will start in the middle of September.—Central News.

BEGINNING to-day, the anti-drug and anti-gambling regulations will be enforced throughout Kuangtung.

Two persons were killed and 16 injured, when a bus in which they were travelling turned over in one of the main streets of Sian. The victims were all attached to the Bureau of Construction of the Sian municipal government. The dead are: Mr. Sun Ching-chi, head of the bureau and Mr. Pien Yu-nung, chief accountant.

NORTH-CHINA DAILY NEWS

4th

SNAPSHOT COMPETITION

Closes on September 13th

Six fortnightly prizes of \$10 each are given and a Special prize of \$40 for the best snapshot of the series.

Send in your snapshots for the third competition any time between now and next Monday Week.

RULES:

1. A prize of \$10 will be paid to the amateur sending in the best snapshots every fortnight from the first ending August 2 to the fortnight ending October 11.
2. A prize of \$40 will be given for the best snapshot of the whole series.
3. Photographs must have been taken by the competitor, who must be an amateur, and must not have previously appeared in any other publication.
4. Photographs may be of any size not smaller than quarter-plate (4 1/4 x 3 1/4 inches or 13 sq. inches) and must be unmounted. They may be developed, printed or enlarged by a professional photographer, but must not be touched up, double printed, or otherwise manipulated.
5. Any number may be sent in in any one fortnight or every fortnight. The entry form at the foot of this advertisement must be filled in and must accompany each photograph submitted. Name or nom de plume must be written in pencil on the back of the snapshot.
6. The "North-China Daily News" has the right of printing any or every photograph sent in for competition, whether a prize winner or not. No photographs will be returned.
7. The decision of the "North-China Daily News" must be accepted as final. No member of its staff is allowed to compete.
8. Entries must be addressed Snapshots, North-China Daily News, 17 The Bund.

SNAPSHOT COMPETITION ENTRY FORM

To "Snapshots," North-China Daily News, 17 The Bund, Shanghai

Name
Address
Nom de plume for publication, if preferred
Title Where taken
Camera used Exposure Stop
Glossy prints are preferable, but there is no restriction as to paper, printing or enlarging

Flapper Nuns Of Canton

A Modern Touch In The South

Canton has frowned upon its nuns, and they are to be no more. Near the top of the list of a Thousand and One Evils which are to be eradicated from the beginning of September appears the item "Flapperish Nuns," according to a mosquito paper.

Under the régime of General Chen Chi-ang, it is reported, the young and pretty nuns of the City of Rams rather overstepped their avowed policy of aloofness from Mammon and the World. Far from earning their living by chanting and praying, they opened their nunneries to young men, who visited them to gamble and to smoke opium. The nuns wore flashy dresses, and powder and rouge were in great demand. Many of them doubtless sighed that they could not have their hair waved in a fashionable manner, but they did their best by donning round, black caps which, the report says, gave them "the appearance of having hair."

This sad tale of a woman's natural instincts overcoming her better nature was revealed in a recent police raid on a Canton nuntery. Eleven nuns, dressed in the latest fashion, were taken into custody, on the grounds that they were "entertaining young men of questionable character." Doubtless these eleven hapless maidens would now appreciate Lord Chesterfield's pungent comment:—"Women's beauty, like men's wit, is generally fatal to the owners."

JAPAN'S POLICIES OUTLINED

Perfection of National Defence in Lead

Tokyo, Aug. 25.

Seven principal national policies by which the Japanese Empire will be guided were announced here to-day by the Hirota cabinet after a summer-long prolonged debate. The seven basic principles were said to be the following:

First, Perfection of national defence.

Secondly, Improvement of national education.

Thirdly, Adjustment of taxation by both the central and provincial governments.

Fourthly, Stabilization of the life of the people, including the prevention of disaster, maintenance of health, improvement of fishing and farming villages and small industry.

Fifthly, Expansion and improvement of foreign trade and industries, including strengthening control over electrical power and promoting home fuels, steel, copper, and the maintenance of means for improving the aviation and marine industries.

Sixthly, Establishment of a Manchukuo policy concerning investment and emigration.

Seventhly, Adjustment and improvement of the National Administrative structure.

The budgetary requirements, without including the items for war and navy offices, are expected to be between 100,000,000 and 170,000,000 yen. Increased revenue amounting to approximately 400,000,000 yen from new taxation has been anticipated by Dr. E. Baba, Finance Minister.

The promotion of industrial experimental facilities was proposed by the Cabinet Investigation Bureau. It aims to encourage and industrialize inventions. It is suggested that state organs be established in Tokyo and Osaka to experiment on inventions and that contact be maintained with the Patent Bureau to aid unknown inventors and industrialize their inventions, contributing to the promotion of Japan's industries.—United Press.

AMOY CHILDREN'S DAY

FROM OUR OWN CORRESPONDENT

Amoy, Aug. 22.

August 31 is Children's Day. The old committee that have sponsored this festive day before shall on that date cease to exist. A new organization will be formed, at a meeting to be convened on the last day of the month, and a new and enlarged body, called the Amoy Educational Society, will take its place. All schools and public organizations are expected to send delegates to this meeting. On Children's Day the national flag will fly on all public and private buildings. Aeroplanes will circle the city dropping pamphlets. The theatres will be open free to all children and educational and school supply stores will give a special discount to all purchases made by children on that day.

MOSCOW POST FOR MR. SHIGEMITSU

Former Minister to China Made Japan's Envoy

Tokyo, Aug. 25.

Mr. Mamoru Shigemitsu, one-time Minister to China and former Vice-Minister of Foreign Affairs, was formally appointed Ambassador to Soviet Russia following a decision reached by the Japanese Cabinet at noon to-day.

This action came as a sequel to the receipt earlier to-day of the acceptance by the Kremlin of Mr. Shigemitsu's projected appointment, which had been communicated to Moscow in advance in keeping with diplomatic usage.

The new envoy, who will succeed Mr. Tamekichi Ono, who retired following his return to Japan two weeks ago, is to leave for his post in November.

Mr. Shigemitsu's appointment to one of the "plums" of the Japanese



Mr. Shigemitsu

diplomatic service, comes as a fitting sequel to a brilliant diplomatic career that began in 1911 when he was appointed attaché, on probation, to the Japanese Embassy in Berlin.

At Versailles Conference

He served successively in London, Portland, Ore., and in the Foreign Office in Tokyo, and was a member of the Japanese delegation to the Versailles Peace Conference in 1919.

Returning to Japan, he occupied various important posts in the Gaimusho, being appointed first secretary of the Japanese Legation in China in January, 1925. He attended the Tariff Conference in Peking. Appointed counsellor of the Japanese Embassy in Germany, he was about to leave for his post, when orders were rescinded and he was named consul-general in Shanghai. He arrived in April, 1929, and remained until invalided home in August, 1932, after losing a leg in a bombing of the reviewing stand at Hongkew Park. In the interval he had become counsellor of the legation and later minister.

After recuperating for almost a year, he was appointed Vice-Minister of Foreign Affairs in May, 1933, succeeding Mr. Hachiro Arita, now Foreign Minister. He remained in his last post until March this year, when he was replaced by Mr. Ken-suke Horinouchi.—Domei.

WAR RISK INSURANCE TAKEN BY K. K. K. LINE

Tokyo, Aug. 26.

Arrangements have been concluded to insure the crack, super-speed motor-freighter Kinugasa Maru against war and civil commotion risks, the vessel's owners announced to-day.

The Kinugasa Maru, one of the three Kokusai Kisen 'Orient-Express' freighters, is now nearing Spain. Similar insurance on the Kaku Maru and the Kashi Maru, the two other ships on the same run, is being sought, K.K.K. officials said.

This action, shipping circles said, reflected the uneasiness among Japanese operators caused by the recent incidents involving Spanish warships and German and British vessels.—Domei.

WALTER BOSSHARD SETTLES DOUBTS

Peking, Aug. 27.

Mr. Walter Bosshard, the Swiss journalist representing the German Ullstein press in China, who recently was reported to have been detained in Inner Mongolia, arrived in Kalgan this morning. He had travelled 300 miles westward through Inner Mongolia to Kueihua.

Mr. Bosshard is due to arrive here to-morrow morning.—Reuter.

CHENG TU SMUGGLING FIRMS

Activities in Szechuen are Considerably Curtailed

FROM OUR OWN CORRESPONDENT

Chungking, Aug. 23.

There are eight firms in Chengtu engaged in the smuggling of goods into Szechuen, according to a report received here from Shanghai. The activities of smugglers has declined considerably, however, and this is ascribed to a rigid system of checking, and to the fact that most of the smuggled goods arriving in the form of parcel post have been confiscated by the local Customs office.

Liangshan and Lingshui, out of the ten counties authorized to grow poppies last year, have been forbidden to produce opium this year. This is in accordance with the orders of the Central Government that the number of counties so authorized be decreased by two each year. In a total of five years, therefore, opium production will be no more in this province.

Official opium-smoking shops will open in Chungking at the beginning of October, as a result of a decision reached between the Anti-Opium Bureau and this city's prepared opium dealers. These opium-smoking shops will be divided into six classes, according to the number of lamps used, namely 12, 10, 8, 6, 4 and 2 lamps. They will make monthly payments of \$100, \$120, \$100, \$80, \$60, and \$40 respectively.

Flood Relief

The Flood Relief Committee held a meeting in Chungking a few days ago. As a result, it was decided that each person on flood relief be given seventy cents, with, in addition, a pound of rice. The total number of sufferers is given as 37,999, which means that a total sum of \$26,599 will be required for this purpose. The following day, over 100 piculs of rice and \$13,955.80 were distributed, and the relief committee's members have assumed the responsibility of raising more funds to make the scheme a success.

A report has been received that the Provincial Relief Association has a total of 76 counties suffering from drought and of 19 counties suffering from floods on its records at the moment.

MME. SUN ADVOCATES POLITICAL AMNESTY

Nanking, Aug. 23.

The recent proposal from certain quarters of a general amnesty to political prisoners is attracting widespread attention in judicial and legislative circles. Mr. Wang Yun-pin, Minister of Justice, states that there are about 2,100 political prisoners in ordinary jails and 1,000 in provincial reformatories. These figures do not include Sinkiang, Chinghai, and Kwangsi. It is said to be Mme. Sun, Yat-sen's suggestion that an amnesty be formally announced at an early date, so that the liberated offenders may have time to change over and take part in the election of delegates to the People's Assembly.—Central News.

15,000 RELEASED FROM OVERCROWDED GAOLS

Nanking, Aug. 25.

Altogether, about 15,000 prisoners in 22 different provinces have been paroled during the last thirteen months. This wholesale release was necessitated by the fact that most of the prisons were so crowded as to make the general management and maintenance of health among the criminals extremely difficult.—Central News.

CAPTAIN CHICHESTER CONTINUES FLIGHT

Hongkong, Aug. 28.

Capt. F. C. Chichester and Mr. F. Herriek left at 8.10 this morning in their Puss Moth plane for Port Bayard. They arrived here yesterday from Nanking.—Reuter.

With the Central Government decided to hold the National People's Assembly on November 12, elections of delegates to the Congress are now in full swing in all parts of China, according to reports received here from various sources. To assist in directing general elections affairs, the Government has issued a mandate appointing the following 13 as election supervisors: Chang Li-sheng, Fu Ju-lin, Wang Lu-yi, Ku Cheng-kang, Chiang Po-cheng, Tseng Kwang-ching, Wang Kun-lun, Peng Kuo-chun, Yao Ta-hai, Mei Kung-lin, Wu Pao-fen, Shao Hua and Lai Lien. Elections of delegates, it is learned, are required to be completed before October 10 and all delegates to the Assembly are required to reach Nanking before November 5.

COMMUNISTS FLEE FROM YUNNAN

Hundreds Perish in the High Passes of Tibet

FROM OUR OWN CORRESPONDENT

Atuntze, Yu., July 14.

Early in May, subsequent to serious losses they had sustained in the fighting in Eastern Yunnan, the Communist hordes of Ho Lung and Hsiao Keh turned toward northern Yunnan. Giving the assurance that they would pass through peacefully, they "borrowed" the road through Likang. Most of their depredations were confined to looting mission premises and the homes and shops of well-to-do merchants. Turning westward to Shih Ku, they were soon at Chu Tien where, after looting the mission compound, they crossed the Yangtze by means of the numerous rafts and small boats available in that region. Swarming down upon helpless Chong Tien, a little city frequently plunder-

New Kowloon Barracks to Cost £1,000,000

Hongkong, Aug. 25.

The construction of new military barracks in Kowloon, costing more than one million pounds sterling, will start soon, according to an official announcement to-day. The project will make possible an increase of the troops stationed in Kowloon by from two to six battalions.—United Press.

ed by the powerful Shang Chen robbers, they rested for a few days, eating up the food in that region.

Tibetan soldiers from the Atuntze region were rushed to the right bank of the Yangtze river opposite Bong Tsih Rah, in anticipation of a possible attempt at crossing by the Reds. But the molley hordes evidently had no such intention and pressed-on northward toward Hsikang province. Pushing into the territory of the Shang Chen (Tibetan) robber tribes they met with no resistance, probably being considered kindred spirits. Prompted no doubt by the serious food problem confronting them, they divided for a time, the left wing going into the Roma Tibetan area about three days travel south of Balang.

The others turned north-east toward Litang, which is situated midway between Tatsienlu and Batang. There for a time they feasted upon yak meat and tsamba. But starvation claimed the lives of hundreds in the crossing of the barren wastes before Litang, and afterwards, before they could reach the Balang valley. Perishing from hunger and disease on high Tibetan passes, men, women, and children came to the "end of the trail." In June, those still able to travel poured down into the beautiful Balang valley.

Suffer Heavy Losses

Weakened by disease and hunger, they were in poor trim for fighting and never gave within gunshot of the city gates. They proved no match for the well-fed local forces and the crack troops of the National Army who sallied out against them. During two days of hard fighting, the Reds suffered heavy losses. They then fled northward toward Pei Lu (Derge) and Kanze, about eight and twelve days' journey respectively from Balang. Since then, they are reported to have gone on into Kansu province. Many are said to have deserted their Red comrades at Balang. Those refugees received food and kindly treatment, and later were given a monetary allowance and sent back to their homes in far away Kweichow and Hunan.

The Pursuing Troops

When the Communist army started its long march into northern Yunnan and Hsikang, Yunnanese troops were sent in pursuit. Some of these were subsequently stationed at Chong Tien, and four companies under Lung Ying-chang were sent to Atuntze, farthest military outpost of northwest Yunnan. Before their arrival, many of the Atuntze Tibetans and Chinese fled with their movable possessions across the Mekong river, one day to the west. Others hid their valuables and were ready for instant flight, which was not necessary, as the Reds remained on the east bank of the Yangtze nearly two days east of Atuntze. The American missionaries remained at Atuntze, which ultimately proved to be a wise decision.

The provincial troops acquitted themselves well. Their conduct was the best ever seen among the Chinese military. Especially to be commended were the disciplinary measures instituted by their commander—a good beginning on the reforms advocated by the New Life movement.

MME. CHIANG VISITS HONGKONG

Sugar Interests Petition Generalissimo

FROM OUR OWN CORRESPONDENT

Hongkong, Aug. 24.

Miss Sung Mei-ling (Mme. Chiang) wife of the Generalissimo, arrived in the Colony from Canton by the ss. Taishan last night. She was accompanied by a large entourage including General Chiang Kai-shek's foreign adviser and his wife, Mr. Chen Lap-fu and Dr. Chang Yuk-hsao, woman jurist.

Mme. Chiang declined to receive any visitors or press representatives, and is staying at a friend's residence in Kowloon. She will stay here for a few days before returning to join her husband in Canton.

Sugar Monopoly

The sugar merchants here held a conference yesterday at the Sugar Merchant Guild in discussing to draft an appeal to the Kuanglung Provincial Government for the cancellation of the sugar monopoly.

Mr. Chen Hoi-cho, the chairman, addressing members of the Guild, pointed out the detriment of the sugar monopoly in this province. He emphasized that since the introduction of government sugar monopoly the monopolists had imported 1,000,000 bags of foreign sugar into Kuangtung. Every time a consignment of sugar arrived in the Colony the Canton Government despatched gunboats to ship back the sugar to Canton so as to evade payment of sugar tax to the Customs, the practice of which is a great detriment to the national revenue.

Owing to its cheapness in price and "duty free" the native sugar can hardly compete with the imported sugar smuggled by the monopolist and thus the native sugar industry was practically crushed. Plantation owners in the various sugar producing districts in Kuangtung also suffered heavy losses.

It was decided at the meeting that an appeal should be sent to the Provincial Government requesting the abolition of the monopoly so as to revive the native sugar industry. Taking advantage of his presence in Canton it was also decided that a duplicate of the petition should be forwarded direct to the Generalissimo.

AMERICAN EMBASSY TRANSFERRED

Nanking, Aug. 28.

The American Embassy moved to-day into larger and more attractive quarters at 84-85 Shanghai Road. The new premises, consisting of five buildings, are the property of Ma Yi-quin, a Chinese official.

Mr. Nelson T. Johnson, the Ambassador, will take up permanent residence at Nanking on October 1. Other members of the Embassy staff, now in Peiping, will arrive here shortly. The Embassy office at Peiping will not be closed, however.—United Press.

FOREIGNERS IN KWANGSI TO HAVE GUARANTORS

Canton, Aug. 28.

Foreign travellers in Kwangsi, who have no professions, are to secure two guarantors within ten days, otherwise they will be expelled, according to instructions recently issued by the Kwangsi provincial government. All removals are to be registered with the local authorities and have government permits. Any removal without a government permit will be thoroughly investigated. Households which possess radio sets also will have to be registered with the local authorities. Suspicious cases will be placed under rigid examination.—Central News.

SHORT STORIES

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SHANGHAI NEWS

A PASSENGER ON THE QUEEN MARY

Shanghai Resident Describes Liner's Voyage Across the Atlantic

All British people who read the joyful news that the ss. Queen Mary has won the Blue Riband of the Atlantic will feel a sense of pride in a great achievement, but there is one man in Shanghai who feels a little extra proud. Not only was he on board for the first trip of the Queen Mary, but he has other ties with the ship, as his great-uncle was one of the original founders of the Cunard Company, owners of the Queen Mary. It is not permitted to disclose his name, but, in an exclusive interview with the "North-China Herald," on August 31, he gave his impressions of the historic voyage across the Atlantic by the great liner.

"I am afraid any impressions I could give would be prejudiced," he said, when first asked to describe the crossing, "as my family has for years been connected with the Clyde. I served my apprenticeship in ships sailing on the Clyde, and have the strongest possible associations with that part of Scotland."

There was disappointment, humour, emotion, and finally a tremendous pride in that first voyage, he said. After seeing the Queen Mary's mas-

from behind his ear, evidently bent on practising his tricks so as to perfect his technique, and impress his fellow magicians across the Atlantic.

Arrival at New York

Arrived at New York, the scene was so overwhelmingly impressive that few people on board spoke, many being overcome by emotion at the momentousness of the arrival of the world's largest liner at her destination on her first voyage across the Atlantic. Aeroplanes roared overhead, fast motor boats fussed around the liner, sirens shrieked, and above it all there boomed the deep, sonorous tones of the Queen Mary's siren. As the skyscrapers of New York slowly came into view, they were seen to be black with people, all ready to give the Queen Mary the warmest welcome.

"Such a welcome could not have been excelled anywhere in the world," declared the man who was lucky enough to be present and witness it.

The arrangements for the examination of the hundreds of trunks, suitcases, etc., on board the Queen Mary were carried out with the utmost precision, 430 Customs examiners being detailed for the task. The streets of New York were blocked with traffic, as the result of the tremendous crowds who waited to welcome the Queen Mary and the landing of her passengers. Everywhere there were signs of American elation at being the first to witness the arrival of the vessel. Every hotel, department store, and theatre, down to the smallest drug store, was flying the British and American flags crossed, with a welcoming message. At no time had there been a stronger pro-British feeling in New York. Congratulations and good wishes were showered from all sides. This feeling was not only apparent in New York, but it extended right across America, and travellers through the States who were seen to have crossed the Atlantic on the Queen Mary were treated with special cordiality.

Every one of the passengers who travelled across on the first voyage was presented with a special certificate and a beautifully illustrated booklet giving examples of the fine workmanship which had gone into the building and decorating of the ship.

DR. KUNG ARRIVES FROM NANKING

Greeted At Jetty By Leading Chinese Officials

A large number of local Chinese officials assembled at the Nanking Road Jetty on August 30 to welcome Dr. H. H. Kung, Minister of Finance, who arrived from Nanking on board the cruiser Wenhsien accompanied by Mr. Jabin Hsu, Director of General Affairs of the Ministry of Finance.

Among those awaiting the Minister were General Yang Hu, Garrison Commander of the Shanghai-Woosung area, Mr. Hsu Kan, Vice-Minister of Finance, Mr. Jian Chen, Deputy Governor of the Central Bank of China, and Mr. Fu Ju-lin, Chairman of the Yangtze River Conservancy Commission. Dr. Kung immediately proceeded to his private residence.

It is learned that the Finance Minister came here for the purpose of attending to the affairs of the Central Bank and will return to the capital in a day or two.

Mayor Wu Te-chen of Greater Shanghai returned here at noon yesterday from Kuling, where he made a report on Shanghai municipal affairs to Dr. Kung before the latter's departure from the summer resort.

RESPONSE TO APPEAL BY ST. TICHON'S

As a result of the public response to the appeal by St. Tichon's Orphanage, published recently in the "North-China Daily News," the Orphanage has been enlarged to include two houses, one for boys and another for girls, while the quarters have been decorated, and a sanitary system has been installed, at a cost of \$800. The latter was provided through the courtesy of a number of local firms. The Orphanage wishes to express its thanks to the many local people who have made this change possible by their generous gifts.



JAPANESE LEAVE FOR CHENGDU

Three Japanese left Shanghai on Aug. 31, one for Hankow and the other two for Chengdu to investigate the killing of two journalists there. Left to right are seen: Major-General Selihi Kita, Japanese Military attaché, who saw the party off at the Shanghai airport, and Lieut. Col. Watari and Mr. Sakuji Fukumachi, publisher of the Shanghai "Mainichi," who left for Chengdu, and Mr. Yoshiaki Miura, Hankow Consul-General, who left for his post.

CONFUCIUS' BIRTH ANNIVERSARY

Nation-wide Commemoration of Occasion

Confucius' birthday anniversary was celebrated in China with great enthusiasm on Aug. 27. In Nanking, two commemorative meetings were held, one at the auditorium of the Central Party Headquarters, which was attended by over 700 Kuomintang members and Government officials, and the other at the Confucius Temple by representatives of public bodies, Gen. Han Fu-chu, Chairman of the Shantung Provincial Government, travelled to Chufu specially to preside over rites in honour of the great philosopher. And here in Shanghai, the People's Educational Institute, Nantao, was filled to overflowing at a meeting attended by over 1,000 persons.

All Chinese official organs and schools were closed for the event. Chinese and foreign banking institutions and stock exchanges likewise observed the day as a holiday. A group of industrial concerns closed for the day, while those continued their work paid double wages to their employees in accordance with the decrees promulgated by the Central Government. Chinese flags were hoisted at different places, especially in streets in Chapei and Nantao.

Meeting at Nantao

The meeting at Nantao was held under the auspices of the Shanghai Kuomintang Headquarters and the Shanghai City Government. Contingents of Chinese policemen were stationed in Wen Miao Road, where the Educational Institute is situated, to maintain order. In the Institute, a portrait of the sage was placed in the centre of the platform, while ancient utensils used for offering sacrifices to Confucius were exhibited.

In his opening speech, Mr. Pan said the observance of the birthday anniversary of Confucius deserved particular recognition this year when the world situation is fraught with war dangers. China's sage, Mr. Pan pointed out, spread the doctrines of cosmopolitanism and pacifism in his time. The speaker urged that his teachings should be widely publicized as a means to save the situation. His speech was followed by several others bearing on the occasion.

MARQUIS LI TO PAY TO C.M.S.N. CO.

Former General Manager Given One Month's Grace

Marquis Li Kuo-chih, former general manager of the China Merchants Steam Navigation Co., who was ordered by the Supreme Court to return the \$75,000 commission to the firm, was given another month's grace to make an initial payment of ten per cent. of the total sum.

Marquis Li, who was charged with several other officials of the firm with misappropriation, was bailed out by Mr. Yu Ya-ching and Mr. Li Shih-hou so as to enable him to arrange the payment of the money as ordered by the Supreme Court. The defendant told the court during the trial that the money went to a Nanking supervisor of the firm.

Mr. Eugene Y. B. Kiang, who appeared with Marquis Li in the Nantao District Court, told the judge of his client's inability to pay the ten per cent. owing to financial difficulty. Hence the judge extended the period for another month.

BIRTHDAY OF QUEEN OF HOLLAND

Reception Held at Residence of Consul-General

On the occasion of the 56th birthday of Her Majesty Queen Wilhelmina of Holland, a reception to foreign diplomatic representatives, high Chinese officials and others was given on Aug. 31 at his residence by Mr. G. W. Boissevain, Consul-General for the Netherlands.

The reception was given between the hours of 11.30 and 12.30 in the morning, and the guests included Gen. Wu Te-chen, Mayor of Greater Shanghai, the president of the Shanghai Chamber of Commerce, Brigadier A. P. D. Telfer-Smollett, commander of the British Forces in Shanghai, Capt. Lin, of the Chinese Navy, Mr. H. E. Arnold, and Bureau of Trade officials, in addition to many others. At 12 o'clock, the health of the Queen was proposed by Mr. Boissevain, and the band played the national anthem, the Netherlands present joining in singing the refrain.

EXECUTION OF INDIAN CARRIED OUT

Umar Din Hanged in Ward Road Gaol at 8 a.m.

Umar Din, Indian watchman who was sentenced to death by Judge P. Grant Jones in H. M. Supreme Court on July 29, was hanged at Ward Road Gaol at 8 a.m. on August 31.

In accordance with British law, a formal inquest was held by Mr. C. H. Haines, Coroner, after the doctor had certified that Umar Din was dead, and a verdict was returned that the sentence of death had been duly carried out. This was the first execution to take place in the new gaol, the foreign executioner arriving here a few days ago from Hongkong to carry out his task.

Umar Din was formerly employed by the National Industrial Bank of China, and was found guilty by a jury of twelve of the murder early on May 29 of Farid Buksh, another watchman employed at the bank.

SHANGHAI-HANKOW PHONE SERVICE

Two New Toll Lines Open for Public Use

The toll telephone line between Nanking and Hankow constructed by the Ministry of Communications, Nanking, starting from Nanking via Wuhu, Anking, Hukow, Kuikiang to Hankow covering a distance of more than 1,000 li is a trunk line of very important nature in the "Nine province toll line network," and has been recently completed.

It is learnt that service on the Nanking-Hankow toll line will be opened for public use from Sept. 1. The charge of such call of three minutes is \$2.00 only.

The Shanghai-Hankow Radiotelephone has also been completed recently, and the opening of the service will take place at the same date. The rate of charges for three minutes is \$3.30 from the Settlement, and \$3 from the Chinese Territory. Booking of such calls is the same as national long distance Toll call.

SHANGHAI YOUTH'S SAD DEATH

Victor Marcal Drowned After Fall from Canoe

Victor Marcal, an eighteen-year old youth residing at 193A North Szechuen Road, was drowned on August 31 at the Kaohsiao beach after falling out of a canoe in which he had ventured into the strong currents off the beach, accompanied by a friend. Among those who witnessed the tragedy were the youth's mother, who was on the beach but did not realize that her son was involved until informed by one of the would-be rescuers who returned after a futile attempt to pick the boy up.

The accident occurred after 11.30 a.m., after Victor Marcal had paddled a short distance from the shore. His friend had gone over the side of the canoe for a swim. Apparently Marcal, who was not a strong swimmer, fell out of the canoe, and his cries attracted the attention of his friend who, after giving the alarm to those on shore, went to the rescue of his comrade. Mr. R. Canavarro, who was on the beach, immediately swam out to the assistance of the drowning youth, but when he was only a few feet away Marcal sank.

Mr. Canavarro shouted to a Mr. Buckley, a friend on the beach, for assistance, and the latter swam out fully clothed in an attempt to save the boy.

While the rescuers were searching for him in the turbulent waters, Marcal came up for a last time behind their backs. Too late they realized where he was, and desperate diving where he had last been seen failed to recover the body. The rescue was finally abandoned, and it was not until after 4 o'clock that the body was discovered by a Chinese. It was brought up to Shanghai in the evening, and taken to the International Funeral Directors, who have charge of the funeral arrangements.

A very strong tide was running at the time of the accident, and this made the work of the rescuers the more difficult. Victor Marcal had left school only recently, and gave promise of becoming a good athlete. His brother, Mr. L. Marcal, is well known in Shanghai football circles. Admiration was expressed yesterday for the efforts of the would-be rescuers, who searched for the body until all hope was ended, and they themselves were exhausted.

JAPANESE ASK MORE GRANTS-IN-AID

Petition Prepared for S.M. Council

Approval was granted on Aug. 28 by the council of the Japanese Residents' Corporation to draft a petition soon to be filed with the Shanghai Municipal Council requesting a larger grant-in-aid to assist in the maintenance of Japanese schools.

The petition, which sets forth the need of greater expenditures by the corporation as a result of an increase in classes brought about by a larger enrollment, was recently drawn up by the Foreign Relations Commission of the organization.

The council also passed without amendment a plan for the creation of a special commission to investigate requests for loans from the Rehabilitation Fund by persons not entitled to such financial aid through normal channels.

The Rehabilitation Fund was created in 1932 to aid local Japanese merchants in recovering from losses suffered as a result of the anti-Japanese boycott and the Sino-Japanese hostilities here in 1932.

The Council, which met in an emergency session to discuss the Chengtu affair, listened to Mr. Masusaburo Amano, president of the Corporation, describe his conversation on Thursday with Mr. Kaname Wakasugi, consul-general, in which the latter urged Japanese residents to remain calm.

Y.W.C.A. SECRETARIES IN CONFERENCE

The National Young Women's Christian Association is holding a two weeks' Secretarial Training Conference for the new secretaries who are entering Y.M.C.A. work this September. This is an annual conference which aims to give the new workers an introduction to the Y.W.C.A., a background of the society in which they are to work, and some technical help on the particular kinds of work they will be doing.

This Conference is being held at the University of Shanghai and ends Thursday September 27, after which new staff members go directly to their posts.

R.M.S. 'QUEEN MARY'

With great pleasure that we welcome you on board QUEEN MARY on the occasion of her Maiden Voyage from Southampton via Cherbourg to New York, this 27th day of May 1936, and we trust that your crossing will be in every way enjoyable and leave you with many happy memories. May your life be long and successful as we wish you our very best wishes for the role of promoting international friendship, particularly between the nations bordering the North Atlantic Ocean.

CUNARD WHITE STAR LIMITED



Souvenir Certificate

Each passenger on the maiden voyage of the ss. Queen Mary was presented with a special souvenir certificate endorsed by the command of the ship, Captain Sir Edgar Britten.

sive bulk towering above all the dock buildings when viewed from a distance, the impression he obtained of her size when coming close up to go on board was somewhat disappointing, he declared. The Queen Mary was set against a massive warehouse, which seemed momentarily to dwarf her, and the whole impression of her tremendous size temporarily was lost. But he had only to go on board, and to stand at the end of one of her lengthy passages to have this impression brought back to him more strongly than before.

"While looking down one of the corridors," he said, "I suddenly caught sight of a small black object right down at the other end. At first I did not realize what it was, but afterwards I discovered it was a man, barely visible, and an idea of the enormous size of the vessel was conveyed to my mind."

Comfort of Passengers

A thing which struck him about the voyage was the detailed arrangements for the comfort of the passengers. Never before has such an immense problem been put before those responsible for the catering arrangements on an ocean liner, and yet everything was carried out smoothly. He particularly emphasized the patience of the liner's staff in listening to the complaints which were made by passengers making their first voyage and who had no idea of the difficulties involved.

There was no vibration noticeable during the voyage, and it was evident that the giant liner was making no attempt to capture the Blue Riband. It was known the Queen Mary would not try for the coveted honour, but probably would be put to the final test on the fifth voyage, from which she has now emerged triumphant.

There was an odd assortment of passengers on the first trip. Mayors of British towns going over to call on Mayors of American towns, Christian Scientists bent on the same object, and conjurers visiting their brethren in the United States. He sat next to a conjurer, he said, who insisted on producing rabbits from beneath his coat, and billiard balls

PROPERTY SOLD FOR \$1,151,000

Auction Follows Action in Supreme Court

One of the biggest land deals carried out in Shanghai for a considerable period took place on August 27, when the properties known as B.C. Lots Numbers 839, 13543 and 13544, put up for auction pursuant to an order issued by H.M. Supreme Court, were sold for the sum of \$1,151,000, or \$1,000 above the reserved bidding of \$1,150,000, to the Burkill Trusts Ltd., mortgagees of the property, represented by Mr. W. T. Mellor.

The auction of the property, which is situated at 149 Szechuen Road, follows an action in H.M. Supreme Court, brought by the Burkill Trusts, Ltd., against the West End Estates, Ltd., and was carried out by Messrs. Nazer and Martin, at their offices at 31 Peking Road, this being the firm appointed for the purpose by Judge P. Grant Jones, Messrs. Ellis and Hays are the legal practitioners for the mortgagee.

The three properties have a total area of 4,301 mow. The conditions of sale include provisions that no person was to advance less than \$1,000 at each bidding, and each party bidding was to deposit the sum of \$3,000. The Registrar of H.M. Supreme Court will certify the result at a future date, and a day will be appointed by the Registrar at which the purchaser may, if he thinks fit, attend by legal practitioner at the Registry of H.M. Supreme Court to settle the certificate of sale. Within seven days of the Registrar's certification of the result of the sale, the purchaser will deliver a statement in writing of any objections (if any), to the Title Deeds, and upon the expiration of this period, the title is to be considered as approved of and accepted by the purchaser.

The purchaser, under a direction signed by the Registrar, is to pay into court 10 per cent. of the purchase money, after deducting the amount paid as deposit, and on delivery of the title deeds is to pay into court the balance due as purchase money. On payment of the purchase money the purchaser is to be entitled to possession, or to the rents and profits, from the date of payment. All outgoings are to be paid by the vendor up to this time.

The final condition of sale specified that if the purchaser shall not pay his purchase money at the time specified, and carry out the other conditions named, his deposit money shall be forfeited to the vendor, and an order may be made by the Judge upon application at Chambers for the re-sale of the property.

Another Sale on Sept. 2

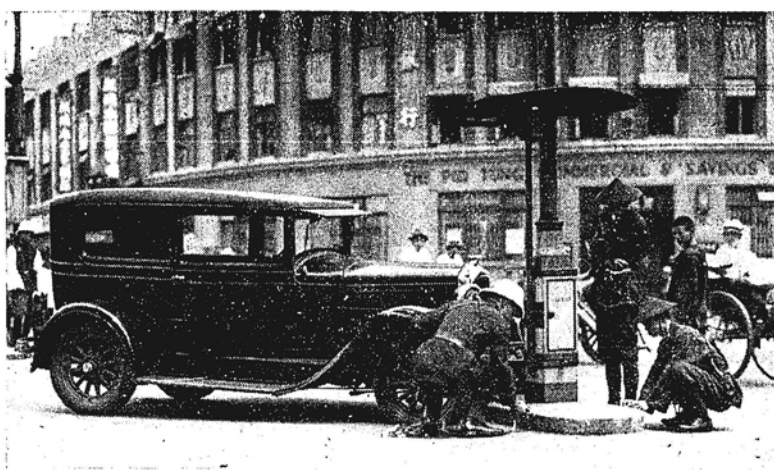
Another large land deal is due to take place on September 2 at the offices of Messrs. Nazer and Martin, when B.C. Lots Numbers 12511, with an area of 34,028 mow, 12926, with an area of 1,5214 mow, and 13270, with an area of 1,5111 mow, will be offered for sale. The property is at West End Gardens. The reserved price on the auctioning of this property is \$500,000, and \$1,000 is the minimum advance on each bid. Prospective bidders are required to deposit with the auctioneer the sum of \$3,000. The conditions of sale are otherwise similar to those governing the sale of the property at 149 North Szechuen Road. The auction of this property also follows the action brought by the Burkill Trusts, Ltd., against the West End Estates, Ltd.

FASCIST CHILDREN SEND MESSAGES HERE

Children belonging to the Fascist Organization in Shanghai, who have been sent to Italy to participate in the yearly gathering of Italian pilgrims residing abroad, have sent their individual messages to their parents in China over the radio.

These yearly gatherings are promoted and organized by the Fascist Organizations abroad and this year approximately 30,000 children, from all over the world, have been sent to beautiful and healthy mountain and sea resorts. These children have already been received by Signor Mussolini, and before returning to China, will be also received by the Pope and the Minister of Foreign Affairs, Count Ciano, who having been in China as Italy's representative will certainly see these children from Shanghai with the greatest pleasure.

BEGINNING September 1, the China National Aviation Corporation will inaugurate an additional service between Canton and Shanghai. The southbound planes will leave every Tuesday, Thursday and Saturday, while the return flights will be made on Mondays, Wednesdays and Sundays. The increased service is due to the heavy traffic between Shanghai and Canton since the collapse of the Kwangtung regime.



CAR HITS TRAFFIC STANDARD

The above closed passenger-car came to grief in Avenue Edward VII, at the foot of Honan Road, shortly after 11 a.m. on August 30 when it ran into the traffic standard in the centre of the road. The front of the vehicle was somewhat damaged and a tyre deflated. The French Police are taking measurements in the photograph.

"N.-C. Herald" Photo.

SOUTH AFRICAN TRADE BOOM

Rise in Price of Gold Has Beneficial Effect All Over the Union

Reports reaching Shanghai of a trade boom in South Africa are by no means unfounded, it was learnt by the "North-China Herald" on August 25 in an interview with Mr. A. T. Brennan, Trade Commissioner in the East for the Union of South Africa, who is on a short visit to Shanghai. They are, as a matter of fact, so well founded that it is quite true to say that the position in South Africa at the present time is the same as it was after the Boer War, when gold was first found there. Normally, gold is 88/- an ounce, but when a large number of countries decide to go off the gold standard, they have to pay more to obtain the same amount of gold. The price of gold rises, and instead of 88/- an ounce, it becomes 138/- an ounce, which was Monday's price.

The gold mines in South Africa, however, are still producing the same amount of gold, and a large number of them can work at a profit when the price of gold is 88/- an ounce, so that their profits when the price rises to 138/- are very considerably increased. A still larger number of mines work at a profit when gold is 100/- an ounce.

When South Africa went off the gold standard, the Government introduced legislation by which the wealthy gold mines were taxed heavily, and the poorer mines were taxed lightly, the object being to encourage the low grade mines to increase their production. Everything is moving towards a great trade boom in South Africa at the moment, and all as the result of the higher price of gold. This affects the farming community, it affects the secondary industries which provide material for the working of the mines, and for the use of the miners themselves, it provides more work and leads to a greater demand for labour. It sends the revenue of the country up to a higher level through customs and import duties, and finally it leads to lower taxation, as the government has more money than it needs coming in through its various sources of revenue.

Lower Taxation

Lower taxation leads to a greater spending power among the people of South Africa, which again has a beneficial effect upon the country's trade. Recently customs tariffs and income tax were reduced. The rise in the price of gold is having its effect right the way through South Africa.

The prosperous state of the country has led to a great increase in emigration during the last few months, many of those coming to settle in South Africa being technical men. Builders and engineers have also been emigrating in large numbers owing to the unprecedented demand for their services, occasioned by an increase in building operations. In the early stages of trade boom, there was a shortage of bricklayers for a period, but this has also been met. Building activity, of course, is at its highest around Johannesburg, the great gold mining centre. The extent of these building operations may be gauged by the fact that in 1935 plans were passed for the erection of buildings to the value of £6,000,000. The railways have also benefited from the trade boom and the amount

of freight carried has been enormously increased.

South Africa is now producing more gold than it has throughout its history. The value of the output of gold in the Union of South Africa alone at the end of 1935 was no less than £1,200,000,000, or an increase of 300 per cent. on the value of the gold produced in 1928. The increase in the price of gold, when it is not accompanied by an increase in the production of commodities, is bound to lead to a boom in commodity prices. Mr. Brennan emphasized, and everything now seems to be working towards that end. Import figures for 1935 showed a large increase on those of the previous year.

Diamond Production

Gold, then, is at the back of the South African trade boom, which has not yet reached its peak. But the South African Government has by no means lost interest in another of the principal industries of the Union—diamond production. Diamonds still form a large part of the revenue of the government, which is largely responsible for controlling their output by means of the Diamond Control Board. This consists of representatives of the Government, and of the diamond mining industry. In the interests of the Union, the Government is working in co-operation with the Diamond Syndicate, comprising the owners of the mines, to see that the price of diamonds does not fall below a certain level.

The Government itself "hoards" large quantities of diamonds, the exact quantity of which is only known to a very few people in official positions. If this knowledge became accessible to the man in the street, the price of diamonds would fall and hoarding is the only means by which their value as luxuries can be maintained. The Diamond Control Board is alone responsible for putting them on the market. Certain quantities are taken from the diamond vaults, and issued at a definite price, which is not altered. The Government is thus in a position to dictate its own terms as far as the price of diamonds is concerned.

The base metal industry has also been affected by the trade boom, while wool, maize, hides and skins, and sugar are fetching considerably higher prices. The farming industry is on a very sound footing.

Trade With China

South Africa does very little trade with China at the moment, as the only articles which would require from the Union would be raw materials, which China herself exports. China and South Africa are actually competitive in certain markets, principally in supplying goods to Japan. China buys a small quantity of South African diamonds, but not direct from South Africa. They are bought through Amsterdam and other markets, most as the result of trade customs. It would actually pay China to buy diamonds direct from South Africa, as there is a 10 per cent. duty on uncut diamonds exported from the country. The diamonds are, however, sent to Amsterdam, where they are cut and then exported to China. There is one small diamond cutting business operating in Shanghai.

POISON GAS STILL UNCERTAIN

Speaker Says No Known Type Will Wipe Out Existence

While there are many types that will inflict enormous casualties through their deadly power, the most effective poison gas has not yet been discovered, according to Mr. Wilfred S. B. Wong, director of the American Engineering Corporation of China, and factory representative of Federal Laboratories, Inc., U.S.A., who spoke on "A civilian's conception of the next war" at the weekly meeting of the Shanghai Rotary Club, held on Aug. 28 at the Metropolitan Hotel.

Mr. Wong said that while military preparation was in progress, people ought to find out something about it, and use their influence with their respective governments to end the mad armament race. Interwoven with war by land, air and sea was chemical warfare, and lastly there was bacterial warfare. There was relatively little development in the military field as compared with the sensational development in the science of aerial warfare. There had, however, been improvements in artillery, hand grenades, long distance guns, kickless machine-guns, and amphibian and rapid-moving tanks, which travel 40 miles an hour over country and 60 miles an hour on the road.

The development most interesting to the layman, however, was that in the sphere of aerial warfare. The different types of fighting planes comprised the bomber, the pursuit plane, the fighting plane and the observation or scouting plane. Every passenger plane was potentially a bomber, just as every merchant vessel was potentially a warship. The pursuit was the fastest type of military plane, while the fighting plane was used principally against infantry and transport columns. This was the type of plane that was used for duels in the air, and provided the romance and adventure of fighting in the air during the last war. Any light aircraft would suffice for an observation plane, which was used for observing troop movements and distributing propaganda material.

Bacterial Warfare

Bacterial warfare had as its object the infection of the enemy with disease, which was accomplished through the enemy's food and water supply, and from the air. This method of warfare, however, could get out of control, bringing both sides under its deadly influence. The next war, concluded Mr. Wong, was going to wipe away the greater portion of the world's population, and would be fought mostly behind the lines. On the one hand, they had the lessons learnt from the last war, and on the other instruments of warfare a hundred times more devastating than those employed in the last war.

FRENCH MUNICIPAL LOAN ISSUE

Far Oversubscribed: Council Make Concession

The Finance Committee of the French Municipal Council met on Aug. 26 to hear the report of the Director of Finance on the result of the 6 per cent. loan of \$2,500,000, nominal, put up for public subscription on Aug. 25.

As was the case with the previous issue, in 1934, the loan was amply over-subscribed. The number of debentures subscribed by important foreign and Chinese banks, as well as by different associations and a certain number of individuals, was far beyond the number of bonds disposable.

The Municipal Council, desiring to meet all subscribers with not more than 20 debentures have deducted a certain number of bonds which were reserved for the Municipal Savings Bank.

The "North-China Herald" understands that the recent French Municipal Council loan was underwritten by a syndicate made up of local banks and the firm of Swan, Culbertson & Fritz. Messrs. Swan, Culbertson & Fritz acted as syndicate managers.

With a view to bringing about a rapid air mail service, the Chinese Post Office has decided to establish 10 air mail boxes at vantage grounds in this city, it is learned. Collection of letters will be made nine times a day. The first of these mail boxes has been installed on July 20 at the Nanking Road Band. Another was built at the corner of Nanking and Tibet Roads on Aug. 26. The remaining eight boxes will be established at the Bund, at the French Concession, Nantao, Woosung Road, and other convenient localities in the not distant future.

REDUCED TELEGRAPH TOLLS REQUESTED

Shanghai, Aug. 28. A second petition to the Ministry of Communications, asking for a reduction of telegraphic tolls between China and the United States, has been sent by the Shanghai Chamber of Commerce, the Sino-American Trade Association, the Shanghai branch of the International Chamber of Commerce, and other organizations.

Comparing the fees charged in China and those in Japan and the Philippines, the petition asked for a cut of 50 per cent. of the existing Chinese rates for a trial period of six months, it being contended that the rates between China and the United States are higher than those of any other country in the Far East, and even higher than those between China and Europe. Such exorbitant charges not only impede the expansion of Sino-American trade, but also constitute an obstacle to the promotion of international publicity. —Central News.

Trouble Buzzes On the Wire

Japanese Shopkeeper Resents Long "Talk"

What is the proper length of a telephone conversation?

According to a Japanese shopkeeper in Woosung Road, a young American lady exceeded the limit when she talked "for twenty minutes" over his phone on Aug. 24 and he threatened legal action on the grounds of slander and interference with business as a consequence of a row he had with the lady in trying to halt her conversation.

The lady said she paid 5 cents for the privilege of using the shop telephone to get in touch with her husband. As she was unable to reach him at once after the connection had been established there was a delay and this, she said, so infuriated the shopkeeper that he seized her arm and tried to drag her away from the phone. At the same time a Japanese woman employed in the shop pushed her from behind, she said.

The shopkeeper alleges that the American lady became abusive and reflected on his appearance. At any rate the husband came round, and a brief report was made to the Police. All three Japanese newspapers in Shanghai took cognizance of the affair on Aug. 25, and Domei issued over two pages of matter about it.

MURDER MYSTERY AT WUSIH DEEPERS

Mistaken Identity Cleared Up by Missing Man

The mystery surrounding the murder of an unidentified Chinese, whose mutilated body was found in a field on the outskirts of Wusih, deepened on Aug. 29 following the appearance at the Wusih police headquarters of Mr. Wu Piao-ping, secretary of the Soochow songs and dramatic association who was supposed by the authorities to be the victim. Consequently, old clues had to be abandoned and Miss Yu Li-li, who had been arrested in connection with the case, was released.

The body was found on August 13, about five days after the police had been informed of the mysterious disappearance of the dramatic association's secretary from Wusih. The latter was said to have been last seen in his underwear. The clothes on the body of the murdered victim and its features appeared in many instances so identical with those of the missing man that many of Mr. Wu's friends were led to the belief that the friend had met his fate.

The Wusih Police, who made inquiries at the Wusih Great World amusement resort, where the secretary had opened a season, were further informed of a quarrel between the missing man and an actress named Yu Li-li. Yu was questioned and subsequently detained by the police.

Meanwhile the secretary had arrived in Shanghai. Informed of the case, he quickly returned to Wusih and reported to the chief procurator of the Wusih Court, thus clearing up the mistaken identity.

CHINESE LABOUR DELEGATE RETURNS

The proposal for equal treatment of Chinese labourers in foreign factories abroad was adopted by the Labour Conference and measures for its enforcement will be discussed during the next meeting in 1938, according to Mr. Chu Hsueh-fan, Chinese delegate to the conference who returned here on Aug. 25 after a tour of Europe.

Other proposals passed at the meeting, according to Mr. Chu included the enforcement of a 40-hour week and opium-suppression among Chinese labourers abroad. During the conference, Mr. Chu also reported the extent of smuggling in north China and its disastrous effects on Chinese industry.

Ma, C. J. van Heyst has returned to Shanghai to resume his place in the Municipal Orchestra after an interesting tour in Japan. At Tokyo in June Mr. van Heyst played in the Imperial Academy for the students and professors—about 500 were in his audience—and he received hearty congratulations on the programme which he interpreted with his bassoon. Mr. van Heyst is known to English audiences for before he came to China he played under the baton of Sir Landon Ronald at Birmingham and London.



PREPARATIONS MADE FOR ANNUAL FIREMEN'S JOSS

The entrance to the compound of Central Fire Station, in Honan Road (above), was decorated on August 29 for the annual "joss" of the Chinese firemen, which took place on the night of August 30. As in former years, foreign officers of the Brigade were guests at the function, which included a Chinese "chow" and refreshments.

"N.-C. Herald" Photo.

WEDDINGS

Williamson-Hunt

Miss Dora Hunt, the only daughter of Mr. and Mrs. H. J. Hunt of Shanghai and Birmingham, was married to Mr. John Alfred Williamson, son of Mr. and Mrs. Arthur Williamson, of Raby Mere, Cheshire, England, on August 25 in Holy Trinity Cathedral, by the Rev. E. J. Ottewill.

The bride, who was given in marriage by her father, was gownned in white Pieu d'Ange, made on classic lines, with shirring on hips, and a twisted fold at neckline, falling in two pieces over the shoulders to form a train. Her veil was embroidered and worn with a halo edged with white flowers. She carried white gladioli.

Miss Patricia Ramplin and Miss Olga (Tommie) Jonsson, who attended the bride, wore gowns of yellow and green organdie respectively, with small organdie caps to match, and carried yellow carnations. The bride's mother was attired in lavender Crepe Romaine trimmed with silk lace, and wore a white hat with flowers to tone.

Mr. J. L. Sharpe acted as best-man, while the ushers included Mr. Simon Godkin and Mr. D. van Gelderen.

A reception attended by 100 guests was held in the lounge of the Broadway Mansions following the ceremony. The newlyweds are spending their honeymoon in Japan.

Troy-Hawk

"Keyword," in Washington county, Virginia, was the scene on Wednesday, July 29, of a beautiful outdoor wedding, when Miss Jean Buchanan Hawk of Shanghai, China, was married to Rev. Olin Troy of Knoxville, Tennessee.

The marriage ceremony was performed by Rev. John C. Hawk, of Shanghai, father of the bride, who was assisted by Rev. W. H. Troy, of Ametate, the groom's father.

Miss Mary Ellen Hawk of Shanghai, sister of the bride, was maid of honour. Rev. David Trigg James, brother-in-law of the groom, was best man. The bridesmaids, college-friends of the bride at Randolph Macon and Sweetbriar Colleges, were: Misses Margaret Fletcher of Paducah, Kentucky; Margaret McRae of Shanghai, Frances Abercrombie of Atlanta, Georgia, and Anne Chilton Walker of Lynchburg, Virginia. Little Miss Mary Louise James, niece of the groom, was flower girl.

The bride was given in marriage by her brother, Mr. John C. Hawk, Jr., of Shanghai, now a student at Emory and Henry College of Virginia. The ushers were Messrs. Preston Buchanan, Jr., Bristol, Tennessee; Al Dahlberg, Knoxville, Tennessee; John C. Deakins, Blountville, Tennessee, and William Buchanan, Danville, Virginia.

Mrs. Troy, whose parents have been missionaries to China for more than thirty years, was born and reared in that country. She graduated from the Shanghai American School in 1932. The following year she worked in the Moore Memorial Church, Shanghai. For the past three years she has been a student at Randolph Macon Woman's College at Lynchburg, Virginia.

Mr. Troy is a graduate of Emory and Henry College of Virginia and of Emory University. He is associate pastor of Church Street Methodist Church, Knoxville, Tennessee, where the couple will be at home after a stay of several days at Blowing Rock and Junaluska, North Carolina.

More than 333,000 persons, representing approximately 15 per cent. of the total population in the Chinese controlled area in Shanghai are unemployed, according to statistics released by the Bureau of Public Safety under the City Government of Greater Shanghai.

OBITUARY

Mr. F. Schwyzer

The death occurred late on Aug. 27 of Mr. F. Schwyzer, who for a number of years was Vice-President of the French Municipal Council, and has been prominently connected with a great number of local concerns. He first came out to Shanghai about 1899, and later joined Messrs. Arnhold & Co. Then he set up in business for himself. He was a Swiss and for many years Chief Inspector of the French Special Police. He died in his apartment in the Cathay Mansions. He was about 57 years, and his wife is in Shanghai.

In recognition of his work with the French Municipal Council, Mr. Schwyzer was made a Chevalier of the Legion of Honour. Besides being a prominent and well-known member of the Swiss community, he was an assessor to the Swiss Consular Court of China.

The funeral was held on August 29 at Bubbling Well Cemetery. The service was conducted by the Rev. E. J. Ottewill, of Holy Trinity Cathedral, and the remains were afterwards cremated.

Many friends and associates of his when he served as Vice-President of the French Municipal Council, attended the service. Among them were Mr. E. Lardy, Consul-General for Switzerland, Mr. E. de Graffenried, Consular Attaché to Switzerland, Mr. J. Piffarelli, Chancellor of the Swiss Consulate-General, Mr. J. Briouval, Consul-Adjoint, French Municipal Council, Mr. M. Verdier, Directeur-General des Services Municipaux, F.M.C., Mr. E. Fauraz, Directeur Administratif des Services Municipaux, F.M.C., and Mr. H. E. Arnold, Chairman of the Shanghai Municipal Council.

The chief mourner was Mrs. Schwyzer, accompanied by Mr. A.A. Brady and Mr. L. Cheetam.

Miss Anna M. Machado

In the presence of many friends a funeral service was held on Aug. 29 for the late Miss Anna (Annie) Maria Machado. A Requiem Mass was celebrated by the Rev. Father F. X. Farmer at the Church of the Sacred Heart of Jesus in the morning, followed by interment at the Pashienjao Cemetery in the afternoon, where Father Farmer conducted the last rites.

Miss Machado had been ill for more than a year and died at the age of twenty-one years last Thursday night. The deceased is survived by two brothers, Messrs. L. A. and E. A. Machado, who were the chief mourners.

The casket was carried to the grave by Messrs.—C. C. Jorge, E. A. Machado, A. Gaan, A. Caldas, C. Pintos and P. Souza.

William Michael Murphy

A funeral service was conducted on August 31 on the lawn of the International Funeral Directors, 207 Kiaochow Road, for the late William Michael Murphy, Yeoman 2/c, of the U.S.S. Tulsa, with the Rev. Father M. A. Falvey, S.J., of Gonzaga College, officiating. Mr. Murphy died at the Regimental Hospital last Sunday following a short illness. The casket was draped with the American flag and was removed from the chapel to the lawn by eight comrades of the U.S.S. Tulsa, while the band of the 4th U.S. Marines played "Rock of Ages". Following the services a salute was fired by a squad of U.S. Marines and a bugler sounded "taps". The casket was then carried into the chapel while the band played "Nearer My God to Thee". Detachments from the Regimental Hospital, 4th U.S. Marines and the U.S. navy were

PERSONAL NOTES

Dr. Tsiang Ting-fu, China's new Ambassador to Soviet Russia, will leave for Moscow in October, via Siberia.

Signor Luigi Mariani, Counsellor of the Italian Embassy in Tokyo, has received the Order of the Rising Sun, Third Class, with collar.

Baron Guillaume, the Belgian Minister, is leaving for Nanking on September 3 to bid the Chinese Government leaders farewell, as he is returning home on September 10.

The Ministry of Finance has accepted the resignation of Mr. Lin Shih-tsch from the post of Superintendent of Customs in Tientsin, and has appointed Mr. Sun Wei-tung to succeed him.

Capt. K.W.D. Dowding, R.N., has been appointed Senior Officer of the gunboat flotilla on the West River in China, and will assume command within the next few weeks. During the last two years, Capt. Dowding has served with the special service staff of the Commander-in-Chief at Portsmouth.

Mme. Chiang Kai-shek, wife of the Generalissimo, is undergoing treatment in Hongkong by a specialist for a disease caused by certain plants, from which she is a chronic sufferer. It will be at least a fortnight, and probably longer, before she will be able to join Gen. Chiang at Whampoa.

Wing-Commander Harold Spencer Kerby has been appointed to succeed Group-Captain R. P. Willock as H.B.M. Air Attaché in China at the end of October. Group-Captain Willock is back in Shanghai and Mrs. Willock who has remained in Japan for another two weeks, will join him here at the end of that period.

Mr. Ho Lien (Franklin Ho), the well-known economist, it is understood will be appointed director of the Political Affairs Department of the Executive Yuan, in succession to Dr. T. F. Tsang, the new Ambassador to Soviet Russia. Mr. Ho, who was educated in the United States, is aged 30 years, and is Professor of Finance and Statistics at Nankai University, Tientsin.

Mr. Hsieh Tung-fah, Second Secretary of the Chinese Embassy in Paris, has been promoted First Secretary; Mr. Liao Sun-yang, Third Secretary of the Legation in Cuba, to Second Secretary; and Mr. Tsung Wei-hsien, acting Attaché to the Legation in Mexico, to Third Secretary. Mr. Wang Nien-chu, First Secretary of the Legation in Norway, Mr. Chow Hsi-chi, Consul-General in Ottawa each have been promoted honorarily one rank higher.

Mr. Sun Wei-tung, representative of General Sung Chieh-yuan, chairman of the Hopei and Charhar Political Council, arrived at Nanking on August 29 from Shanghai, where he interviewed Mr. Wong Keh-min, chairman of the Economic Committee of the Hopei and Charhar Political Council. He stated that Mr. Wang had not yet fixed a date for his departure for the North. Mr. Sun is proceeding shortly to the North, where he will become acting superintendent of the Customs at Tientsin.

Mr. E. Roth, head of the Stamp Department of the Peiping Post Office, has been appointed by the Directorate-General of Posts as acting secretary of the International Department of the Directorate-General. The post was formerly occupied by Mr. E. Carelli who is now on long leave of absence.

present with their respective officers. The body is to be sent to America for interment in the near future. Four wreaths were received from the captain and officers of the U.S.S. Tulsa; 4th U.S. Marines, and shipmates of the U.S.S. Henderson.

FROM THE SHANGHAI Municipal Gazette

POLICE REPORT FOR JULY

The Deputy Commissioner of Police in charge reports:—

The total crime recorded is contained in the following table:—

Offence	July	June	July, 1935
Murder	1	2	2
Attempted murder	1	NH	1
Manslaughter	2	NH	1
Armed kidnapping	1	1	NH
Abduction	6	7	7
Armed robberies	14	28	29
Other robberies	6	10	4
Being member of criminal gang	NH	NH	NH
House, office, shop-breaking, etc.	37	35	27
Burglary	22	39	22
Thefts	1,071	1,098	721
Receiving stolen property	7	7	2
Snatching	35	40	41
Opium offences	106	107	13
Gambling offences	13	10	13
Other crimes	483	448	258
Total	1,799	1,832	1,292

The total of 1,799 cases of crime dealt with by the Police shows a decrease of 33 in comparison with that for June and an increase of 507 as compared with the figure for the corresponding month of last year, the increase being accounted for under the category "theft." The figures for July contain 100 crimes brought to light by Police investigation which had not been previously reported.

The Headquarters Narcotic Section carried out 23 raids and arrested 73 persons. Police Station Staffs dealt with 78 narcotic cases and arrested 220 persons. 205 were sentenced to imprisonment, nine were fined, 59 were discharged, one was deported to Korea after the prosecution had been suspended and 19 are on remand. The sentences were ordered to be suspended for two years in 13 cases. Of 22 persons who were on remand from June, nine were sentenced to various terms of imprisonment, one was fined \$20, one was deported to Korea, two were not prosecuted, four were discharged whilst five persons are still on remand. Of three persons on remand from April, one was fined Yen 30 while two others were discharged. Two persons on remand from March were still on remand at the end of July. Of three persons under remand from May two were still on remand at the end of July, whilst prosecution was suspended in the case of one. Two other persons were arrested during July for offences committed in May and June respectively. One of these was sentenced to one year and six months' imprisonment and deprived of civil rights for two years. 58½ ozs. of opium, 31½ ozs. of opium substitutes, 72 ozs. of heroin, 1 oz. of cocaine, 144 pipes, 17 syringes and 44 needles were seized. The fines inflicted in connection with the above offences totalled \$260 and Yen 30.

Amnesty.—The number of prisoners released under Government Amnesty was 6

Number of habitual criminals released 1
Number of prisoners released having previous convictions but who are not habitual criminals 1
First offenders released 4

Classification of offences for which prisoners released were serving sentences:—

Attempted murder and armed robbery 2, Armed robbery 4.

Since the commencement of the Amnesty 2,900 prisoners have been released under the scheme. 1,083 of these ex-convicts have been re-arrested for offences committed since their release.

GOODBYE CORN!

Why suffer the excruciating pain of corns when a few drops of GETS-IT will bring instant relief. A few days later the corn will peel off and your corn troubles are over.



LETTERS TO THE EDITOR

THE NEXT WAR

Mr. Shaw's Reply

To the Editor of the
"NORTH-CHINA DAILY NEWS"

Sir,—The criticisms of some of your correspondents in reply to the question I raised on the 18th instant mostly indicate attempts to examine the causes of the next war, but I was concerned only in trying to ascertain the results.

I had no desire to frighten anyone out of that happy and complacent frame of mind which regards "business as usual" as their aim and object, nor to disturb those happy reactionists whose faith permits them to lay all their difficulties in a bundle on the shoulders of their Maker, who nevertheless, I maintain, is not responsible. Both of these blind acquiescences seem to me to savour of the children's game of "Let's pretend" or the habit of the ostrich when scared.

Someone has called me a defeatist, and it has been stated on two occasions that to discuss war is to aid in bringing it nearer. My answer to those charges is to say I am a defeatist with millions of other similarly helpless people to the extent of believing that war will bring with it nothing but loss and untold misery; at the same time fully believing that my country will fight just as well as any other, and be equally proficient in the use of shot and shell, poison gas, liquid flame, and all and any other unwholly instruments of destruction that others use. I would also remind my critics that there are a number of Peace Societies founded for the purpose of discussing war and striving to avert it. Unfortunately they are all as impotent as a solitary voice crying in the wilderness and forced to remain spectators of an ever-intensified and feverish preparation at gigantic cost, and that these armaments are being built for use, and that soon.

To be called a defeatist, however, is nothing. I am personally an impatient out-and-out conscientious objector to the next mass-massacre, and that attitude springs from reason, and not fear. It is a sin as much against the mind as the body. I would ask how many of your readers are not conscientious objectors in the full meaning of the words?

One wonders how rulers can be so blind and deaf to the horror and dread in the minds of their peoples that they dare to continue their greedy ambitions for power at such a hideous cost. But they do, and the menace is growing and approaching. I hope they may be warned that in any event they should give up their desire to enjoy an honoured old age in leisure and retirement this time nor any easy death for themselves. Pity for them would be a crime.

CHARLES R. SHAW.

Shanghai, Aug. 25.

"CHENG TU TRAGEDY"

Chinese Condemnation

To the Editor of the
"NORTH-CHINA DAILY NEWS"

Sir,—I am in hearty accord with the deep regrets so sympathetically expressed therein by your sub-leader, to-day, entitled "Chengtu Tragedy" at the unfortunate death of Mr. Fukugawa and Mr. Watanabe. Violence is never justifiable, no matter how great the provocation and as a Chinese citizen I desire very heartily to join in your condemnation of the dastardly act. I should like to assure you that your sentiments are being fully shared by a goodly number of my compatriots.

It is not without some satisfaction to note that stern justice has been swiftly meted out to the ringleaders by the Chinese Government and of the calmness which the local Japanese community is displaying.

The suggestion that the agitation against the proposed re-opening of the Japanese Consulate at Chengtu was responsible for the tragic event is hardly tenable and I deeply regret that two unconnected things should be thus associated together.

The question of the right to station a Japanese Consul in Chengtu is no question at all. It is an issue unequivocal. It is self-evident that no foreign consul should be stationed in any part of the country without the concurrence of the Chinese Government nor to act in his official capacity until he has duly received his exequatur through the Ministry of Foreign Affairs. The Japanese Government has herself several times vetoed the proposals of Chinese Government to establish Chinese Consulates in certain parts of the Japanese Empire where there is considerable Chinese population and Japan could

not therefore in reason blame China for similar refusals.

The stationing of British, French and German consuls in Chengtu in 1912 and of the Japanese consul in 1916 had no legal justification whatsoever. They had come unauthorized because they thought it convenient to be near the heart of the provincial government. If mere convenience is legal justification then there would be chaos. Chengtu is not a treaty port and they had no business there. The sufferance of their presence there temporarily by the Chinese Government does not commit that government to bind itself to suffer the continuance of their presence in perpetuity. It must not be forgotten that the consular representation of Japan has been withdrawn in 1932. If they had any right in Chengtu, the continuity of that right has been broken. If it is desired to re-establish that right the legal process must be gone through again.

As Japan has followed the steps of other Powers in the establishment of consular representation in Chengtu in 1916 let her now follow the steps of the other Powers in their withdrawal of their respective consular representatives. This is the only honorable, reasonable and friendly solution of the problem.

Q. E. D.

Shanghai, Aug. 26.

BRITISH STANDARDS

New Specifications

To the Editor of the
"NORTH-CHINA DAILY NEWS"

Sir,—The following new and revised specifications have recently been published by the British Standards Institution (formerly known as the British Engineering Standards Association).

Revised Standards:

- No. 11-1936 Flat Bottom Railway Rails. (Super. No. 11-1926) at \$5 each
- No. 156-1936 Enamelled High-Conducting Annealed Copper Wire. (Superseding No. 156-1932)
- No. 160-1936 Stone and Marble Insulating Slabs for Electric Power Switchgear up to and including 600 Volts A.C. and D.C. (Superseding No. 160-1932)
- No. 163-1936 Galvanised Steel Wire for Signalling Purposes (Galvanised Steel Wire Strand and Galvanised Solid Steel Wire). (Superseding No. 163-1924)
- No. 168-1936 Electric Performance of Industrial Electric Motors and Generators with Class A Insulation. (Super. No. 168-1926)
- No. 231-1936 Pressboard for Electric Purposes (Including "Built-Up" Pressboard). (Superseding No. 231-1925)
- No. 368-1936 Pre-stressed Concrete Flags. (Superseding No. 368-1929)
- No. 438-1936 Cooker Control Units for use in 2-Wire Circuits of not more than 250 Volts Declared Pressure. (Super. No. 438-1932)

New Standards:

- No. 672-1936 Hard-Drawn Cadmium-Copper Solid and Stranded Circular Conductors for Overhead Power Transmission Purposes. (Add June 1936)
- No. 673-1936 Pneumatic Tools and Accessories
- No. 674-1936 Rubber Tools and Accessories
- No. 675-1936 Sugar Flasks
- No. 676-1936 Three Speed Flasks with Graduated Necks
- No. 677-1936 16 MM. Solid Film
- No. 678-1936 Carboys and Carboy Hoppers
- No. 679-1936 Protective Glass for Welding and Other Industrial Operations
- No. 680-1936 Welsh Roofing Tiles
- No. 681-1936 Carbon Chromium Steel
- No. 682-1936 3rd Cor. Nickel Chromium Case-Hardening Steel
- No. 683-1936 Alkaline Train-Lighting Accumulators

Copies of the above or any other of the numerous specifications published by the Institution covering all classes of products can be obtained from the Hon. Secretary, at \$2 per copy, with a few exceptions at other rates.

Indexed lists are obtainable at the following rates—
Handbooks of Information, including Indexed lists at \$1 each.

Quarterly numerical list, Sectional Industry Lists, Schedule of Specifications applicable to Building Works (C.D. 4000-1936)—Gratis.

The Institution's publications may be inspected without obligation at the offices of The Shanghai Works Co., Ltd., in application to the Hon. Secretary, Mr. S. E. Flory, 484 Kiangle Road, Tel. 15577.

S. E. FLORY,
Hon. Secretary.

Shanghai, Aug. 27.

REAL ESTATE DEPRESSION

Mortgagors' Suggested Cure

To the Editor of the
"NORTH-CHINA DAILY NEWS"

Sir,—As one who has had twenty years of commercial life in Shanghai and is now a lawyer of American graduation (by profession an Arbitrator), may I outline briefly how co-operation is essential to remedy the present obscure situations, and to advance arguments as to the positions of mortgagors and mortgagees, arising out of the present situation.

Every business man is undoubtedly aware now that to mortgagors, who are the real property owners and in the past have been best supporters of the realty market, Shanghai ought to be thankful, for it is owing chiefly to support and at the expense of every drop of their blood that we can be proud of many magnificent buildings of modern structures in Shanghai. Mortgagees only contributed financially to these developments, but did not undertake the risks involved therein.

Now, it is shocking, that some mortgagees (including Bankers) are tightening the strings around the necks of mortgagors (the writer does not criticize them). Of course, no business man, would dare if straightforward words tell such mortgagors of present day, that they are callous and inconsiderate in taking drastic steps of forcing mortgage sales in a depression like the present, thereby inappropriately depriving mortgagors of every inch of their property for this is a permissible violation of the law (where there is no new legislation, under present circumstances, to alter the law, so as to ease temporarily an acute depression, until remedy is sought and applied). Take, for example, what has been said about Bankers who lend money, and ask for repayment in the wrong time, that they lend money on credit on a rainy day. Who can prevent an act done within the law?

It goes without saying that most of the property owners in Shanghai are mortgagors, at present time, and that the managed currency introduced by the Chinese Government did not help to improve their positions in the least, although it did benefit, to a great extent, many sections of the local trade as well as export. It is a fact that tightness of money still exists, it is not because there is no money (money is idle and plentiful), but because the Chinese National Government Dollar of the managed currency has not been fixed on a standard of any kind, although exchange has been controlled under the managed currency system introduced. Therefore many financiers and Bankers are reluctant to loan money freely either for trade or investment purposes locally under such uncertain conditions, and when a standard may or may not be fixed, which matter is impossible to ascertain and would largely depend, perhaps, not only on the American Silver policy but above all, on world's financial and political questions. Therefore many local investments and other businesses are being curtailed, if not crippled, on account of such uncertainties, and it is also true that many number of local investors are turning their attention to invest in gold securities.

The feeling, now is that disasters are facing many mortgagors in the immediate future. A number of them have been told that their interest to cover their commitments, is running short by the reduction of their rents by 30 to 40 per cent or perhaps more, and therefore their properties calculated on the basis of their income, are worth less, by the extent, in percentage of the reductions of their rents; although under present unsettled conditions, where there is no property market, no real value of property of real estate, can justly be arrived at. Rents are expected to rise again within the next two years apparently by the time most of mortgaged properties shall have been closed, in which case properties will also follow higher by 30 per cent, or more by then. On the other hand if on account of some changes in the situation, rents do not rise again in the near future, it is expected that some remedy would be applied by financiers to enhance the price of properties (unfortunately after such foreclosures may occur) not by putting up the rents, but by the effect of reducing rates of their interest on new mortgages—the latter remedy is no doubt fundamentally preferred, but after foreclosures taking place.

It is regrettable that mortgagors have not been told by the wealthy mortgagees of their properties, conscientiously (while money has been idle and in abundance in Banks, even likely most of it without any interest) that they ought to be relieved to some extent by a reduction in the rates of interest charged on their mortgages. It is true that few mortgagors may have reduced their interest rates with reluctance, but few mortgagees could not help the whole situation.

The writer disagrees with those who are pessimistic since they think there is no remedy to the situation if the American silver policy continues, and giving also several other reasons. But those whose ideas are such they must remember that the world is not free from thousands of ailments, most of which are caused somehow, but are not without remedies. The local influential financiers can certainly help to end such property depression or curtail it by a remedy they can find within their reach (they would certainly benefit by taking such a step) if they put their heads together.

It is predicted, that if local financial and influential men will not apply an immediate remedy to end property depression, the Chinese Government might. If this is the case, most of Shanghai financiers will find that their money would no longer obtain for them the present handsome high rates of interest (of 8 per cent, or more per annum). Their money would probably bring them elsewhere 3 per cent, or less. That is if the Chinese Government Banks exclusively would take up the matter of financing mortgages in the near future, although, in the opinion of the writer, any of these banks are not likely to take up this matter before the Chinese National Dollar is fixed to a standard of some kind, as in the event of such a standard has been fixed, sufficient credit and currency expansion may be made possible by the Chinese Government, perhaps under a system which does not necessitate the burden of providing or controlling export and import.

Thanks to the Chinese Government, that by helping the monetary situation, the writer should think, it helped much commerce and industry in China. But one must not consider that there is any government under the present unsettled world's affairs politically and economically, which could single-handedly help to save completely a local situation from every angle. None. It is quite wrong to say that the local situation has been altogether relieved by the managed currency introduced by the Chinese Government, as some persons think by literally interpreting those views of Government officials or some economists in China and abroad. These officials and economists who are optimistic about the Chinese economic situation are certainly giving their views in the light that the situation has been relieved from a complete collapse since the introduction of the managed currency, and that they are hopeful of the future, and they certainly do not mean to say (not even Sir Philip Hens, the economic adviser to the British Government, means that) the situation has been entirely relieved, for instance, in so far as the interest of British investors in £300,000,000 investments in China, is concerned.

What else is more important than Real Estate Investments? The law no doubt attaches so much importance to real property. Such importance dates back from time immemorial, to individual investors and also family dependents, from generation to generation. The writer sympathizes with the Nanking Government for not complying with the request of those who advocate and appeal for the alteration of the law which suits their business and profession, and which alteration might help to cut out mortgagors by a sharp knife, before the local property situation improves and remedy is applied to help the latter.

While, the writer has nothing to say about the American silver policy which belongs to the American people, and perhaps it meant to much good to them, he at the same time, disagrees with some of Senator Pittman's declaration regarding the main causes of the depression in China. The gist at one time of his declaration was that "the factors which ruined China was the action of India in heading down the price of silver, which created a boom in China as a result of foreign money going in, bringing cheap money, and with that property at exorbitant prices, and that when the boom (of 1930 and 1931) fell that was the first step which brought ruin to China."

In disagreeing with Senator Pittman and many others who share his views, the writer positively says that it is always locally and beneficial, at different times, in the history of a country to introduce cheap money, provided such cheapness is not overdone, but done to a reasonable degree, and above all, the duration of cheap money is not of a temporary character. Cheap money in China in the last boom revived the real estate market, when it was not quite normally active, and such cheap monetary situation therefore settled the property investments, in the healthy position it deserved, but since that cheap money was of temporary duration, things ultimately went wrong, and this is the real situation and not the cheap money which was the cause of the property depression in Shanghai. Therefore inflation should, in the writer's opinion, neither be overdone nor suddenly discontinued, so that the outcome would not be that instead of giving a remedy it would

give an adverse effect. Senator Pittman, is aware how inflation, up to a reasonable degree, helped very much America from an unpleasant position, under unsettled world trade and unsettled world political conditions, coupled with the situation brought by the Powers (including Great Britain) who were, by adverse circumstances, forced to go off the gold standard.

Turning to the question as to what remedy the so-called local influential financiers are able to apply in combating the local depression of the realty market, the writer thinks the remedy is simple. To relieve such a situation locally is to create a powerful Trust. The Trust would absorb in Shanghai, mortgaged properties by purchasing them gradually, offering mortgagors (who are hardly pressed) from 20 to 30 per cent, over and above the mortgaged amounts of their properties. This offer to the mortgagors would be reasonable at least (instead of stripping these poor souls of everything). The writer believes that money also may be found for this purpose gradually in London for part of the capital of the Trust up to the extent of £5,000,000 or more by the issue of prospectus partly in gold currencies. This undertaking would surely help to revive other trades in Shanghai and would generally improve the business of Realty Companies, as well as the business of the Shanghai Stock Exchange in all investments especially realty issues. Why this remedy cannot be applied when the world is gradually offering investments (which is always the safest proposition) would certainly attract investors abroad who care not only for an average good return, but also wish to spread their capital—at least not in one basket.

Even if the requisite Trust of Real Estate, is being formed right now, and it is certainly expected, to function successfully within its limited scope, but then without the co-operation of local financiers to support it, so that such a Trust would get in its scope of business and be instrumental in combating the property depression, it would not attain this purpose. Now the question comes up again that the real remedy to meet the situation lies with the co-operation of local financiers whose influence is more essential here than their financing.

Some people think that investments in Shanghai are probably not quite safe. Not every one would say that. No one would think of a moment that many parts of Europe and other important places in the world are safe. Do not London investors believe in spreading their capital at the present time even by investing so much in gold securities of the Chinese Government and local gold issues of public corporation? What difference does it make if it was really investments which are considered the safest.

The writer is optimistic as to the future of Shanghai regarding real estate. It is real estate, only for the sake of property went too high in Shanghai or to be convinced what others, including Senator Pittman, say regarding Shanghai property. Here is a challenge. Is it justified for a fifth important commercial city in the world as Shanghai, that the value of one mow of land in the best section of this city (immediately after the last boom) was worth around Shanghai \$600,000 (or equivalent of U.S. \$120,000 at Exchange Shanghai \$5 to U.S.\$1, which exchange was ruling then) as compared with the fourth important commercial city of the world, take Chicago, when a mow (one-sixth of an acre) in the best section of that city is calculated to be (in the same year of the last boom) worth U.S. \$3,600,000 (or Shanghai \$18,000,000 at the same exchange). This looks like paying a few months' rent in the fourth important city, with which money of the rent one could purchase a mow of land in the best section of the International Settlement of Shanghai, or in other words one mow in the best section of the Settlement in Shanghai is the equivalent of 3 per cent, or less of what would be the price of one mow in the fourth important city of the world.

M. SOLOMON.

Shanghai, Aug. 24.

Mr. M. Solomon Supported

To the Editor of the
"NORTH-CHINA DAILY NEWS"

Sir,—The letter of Mr. M. Solomon on "Real Estate Depression and Mortgagors' Suggested Cure," appearing in your valuable columns to-day should be carefully studied from all angles by those who are interested in the eventual recovery of real estate in Shanghai. Mr. Solomon ought to be highly congratulated for the thoroughness and careful way in which he handles his subject in such an admirable way.

IMPRESSED.

Shanghai, Aug. 26.

The Remedy

To the Editor of the
"NORTH-CHINA DAILY NEWS"

Sir,—Some of your readers would like to know whether the public in general is as impressed by Mr. Solomon's letter on Real Estate as your correspondent. Impressions, this matter of dealing with the depression in landed properties might appear simple enough but it is by no means as one-sided as Mr. Solomon would have us believe. There are numerous considerations which must enter into any attempt at a judicious settlement and which Mr. Solomon calmly evades by trying to make out (1) That Land in the Settlement and Concession was by no means overvalued; (2) That mortgagors as a class are the only ones to be pitied and that the bankers and financiers (mortgagors) are merely out to blood-suck and ruin them.

Not a single thought is given to the general public, the man-in-the-street, foreign or Chinese, by the sweat of whose brow Shanghai values were really built up—and not by self-sacrificing mortgagors.

Before dealing with the general aspect of the question let us first examine the various figures submitted. Would a Trust of £5,000,000 be sufficiently capitalized for the end-in-view—that of "carrying the baby" for and on behalf of the mortgagors until such time as they are able to find their feet... and their sense? I have a shrewd idea I might take several times that amount. Again, how has Mr. Solomon arrived at a figure of \$600,000 per mow for the best land in Shanghai as against \$18,000,000 for equivalent land in Chicago? What proofs can he furnish that such prices were or have been currently paid in ordinary every-day transactions? Have properties built on such lands returned a fair income on the investment? Are they doing so to-day? We have seen enough high hopes vanish into thin air or fingers severely burnt by the reality of speculation which seized Shanghai some years back to again wish to listen to glib talk of realtors and/or lawyers. Like the Missourian, we want to be shown!

I was the very first to publish in the front sheet of your esteemed journal in heavy type "Rentals Reduced." And did I get my knuckles rapped—figuratively speaking of course—for this "red" and "insolent" touch? Well, I did and by those who should have known better. But to anyone of rapping could prevent the whole house of cards reared upon ridiculously enhanced land values from crashing to the ground shortly after, bringing immense loss and misery to many and many an investor.

Again, if Shanghai values have been and are still so secure, will Mr. Solomon kindly tell us all how it is that the better conducted banks here, especially the foreign ones, have for the past few years firmly declined any loans on property excepting perhaps for very short periods on a conditional upon absolute security?

Mr. Solomon is making a rather heart-rending appeal for mercy on behalf of those who speculated and lost, but he cannot expect finance to make every bit of the sacrifice necessary to bring the situation back to what it should be. Bankers and financiers—even if I do not hold any brief for certain dogmas of what I term la hulte finance—are the trustees of public funds. Why therefore should the public be called upon to save the poor landlords and property owners from their own error of judgment, ill-luck, fate, or whatever one wishes to call the blessed thing? Have not these very landlords and owners profited in good times at the expense of the public? Wherefore all the tears to-day? Have landlords in general always and at all times given the very best consideration to tenants?

The only real ground of any value in this profit-ridden world is return on capital. It applies in property as in everything else. And it is only upon such a basis that a settlement of the land depression here must rest—the ability of the individual to meet the charges for rent according to his social status and his comfort requirements. Taking everything into due consideration it is my opinion that rents here, especially in certain quarters, are still unduly high. Hundreds of thousands are still very badly housed.

I have made the "rounds" of this city and should any of your readers care to repeat the trips with me (at his expense) I will gladly point out to him the unduly large number of houses and apartments and shops (admittedly of earlier or poorer construction) that are vacant and have been vacant for months. And if the truth were divulged as to rent-collectors' outstandings, debts mounting up daily without the least chance of ever being liquidated, I wonder whether your readers would feel quite as optimistic as Mr. Solomon?

These are facts, not fancies, and it is only with facts that we are concerned to-day. It is possible that this not being Mr. Solomon's country he has the stature of a prophet who

is to lead the blessed band of mortgagors into a land flowing with milk and honey. Will he not in the goodness of his very pitying heart let the mortgagors (who also have been stung) and the ever-submissive public know where they too might find a few kine and some odd bees. The truth is that there will be no relief from the depression in landed properties—the foundation of all communal wealth—until the needs of the community in general are first met. Sacrifices will have to be made by these who "have," and the promise is between mortgagors and mortgagors, but certainly not to the entire benefit of the former, alone. The wealth of both derives not from themselves nor from their foresight, but very clearly through the combined efforts of the community. And until the public's claims receive first consideration—the sacredness of contracts notwithstanding—the land situation will remain at a practical stalemate. I leave out of consideration such eruptive influences as war, devastations, to bring the landowner out of the whirlpool in which he is being engulfed. I take the position as it stands to-day and seems very likely to stand for some time under ordinary conditions. Trade is not moving as it should; the back country which is really Shanghai's wealth has been drained dry. Incomes have decreased all round. Hundreds of merchants both foreign and Chinese have been compelled to "close shop."

Only monopolies, lotteries and businesses having relation to instruments of destruction are continuing to make "good" profits. The picture is not an exaggerated one. We have ridden the high horse and lost control of the animal. We must simply come down to moderation. That done the wheels of commerce will once again function smoothly. Business in its true sense is not dead, never can be dead. But the days of easy money and exploitation are gone. Yet Mr. Solomon would assure us that land prices should recover within the next two years.

Verily a prophet is made of the sterner stuff. No more can Mr. Solomon tell us what will happen to land prices in Shanghai than any other person. It is purely guesswork. And present indications do most certainly not point to a rise.

By all means let us have reductions in interest charges on capital. But let such a step be for the benefit of all who go to make up Shanghai and not merely to enhance land values and provide more profits for a comparatively few mortgagors who have battened on the city's development for years. It must be remembered, however, such a reduction of interest if too severe might lead to a flight of capital from the place.

As to values on the various Exchanges, let Mr. Solomon not perturb himself. Exchanges throughout the world no longer serve as the barometers of trade and commerce. Old standards have gone into the discard for good. As for business on the Exchange themselves, had they stuck to their rôle as the market-places for the "exchange" of values and commodities instead of choosing to become zoological institutions and sheep-shearing farms, where goats also come to browse and where bears and bulls paw around in strict amity (or is it enmity?) they would not be suffering to-day from that terrible malady—shall we call it?... moribundity.

P. H. PREVOT.

Shanghai, Aug. 27.

An Opportunity

To the Editor of the
"NORTH-CHINA DAILY NEWS"

Sir,—Recent correspondence and speeches, in connection with Mortgages and Real Estate, bring home to us the serious slump in land values to-day. Important lots changed hands, in the course of the last year or so, at figures considerably below the high peak of 1930 and 1931. The Realty Market is feeling the depression like everything else; but, perhaps, the depreciation of values, in its case, has been accentuated by the unwarranted boom and frenzied speculation which preceded. However, the darkest hour is followed by the dawn, and it is not unduly optimistic to say that this depression must lift. It is only a question of time. It does not require too much imagination to picture Shanghai, now sick and prostrate, shaking itself, at a not distant future, out of its enveloping gloom, and rearing a radiant and smiling head in the sunshine of revival. Shanghai will then have its innings. China and its markets are full of promising possibilities, and Shanghai, as one of the main gateways of China, has an assured future. It has grown apace within the last decade, but given a period of prosperity, its future growth will outstrip past records. As one of the main arteries of China's trade, it is bound to attract a progressively increasing population, both Chinese and foreign.

Shanghai is already congested in some sections, and will be more and

more congested in proportion to its growth. It is this consideration that brings me to the crux of the matter. In every large city "lung spaces" are essential in the interests of the public health, apart from their need as recreation centres; and the number of such open spaces and parks must be regulated by the number and incidence of the population. It is a question whether Shanghai, at present, is sufficiently provided with these "lung spaces," especially as regards its congested areas; but how that may be, I think that it would be wise to anticipate the future and provide for its need. A policy of laissez faire might induce us to drift along, wait till the need becomes too pressing and then decide to acquire the necessary land. That will be precisely the time when land will be difficult to obtain, and available, if at all, only at prohibitive prices. My point is, that if my argument is sound, then the land should be acquired now, when large areas are available at cheap prices. To buy on a rising market is a wise policy for the speculator, but not for the investor with a long view, and would certainly be a short-sighted and reprehensible policy in connection with public capital outlay. If those responsible for street planning in Shanghai of old had exercised more foresight, the public would not have been paying, to-day, comparatively fabulous figures to widen those streets.

A few years ago, a suggestion was made to purchase the Majestic site and convert it into a Civic Centre and public park. The idea was turned down, and in view of the mad boom in land values at that time, and the subsequent depression, the rejection of that proposition was, perhaps, fortunate. And it is a question whether that site would have been an ideal one, considering the greater congestion prevailing elsewhere, say, for instance, the Sinza, Eastern, and French Central districts. But within the last year or so, large and suitable lots were available, and have actually been sold at comparatively low figures. The acquisition of one of those lots would have been a boon to the city and, financially speaking, a "bargain." In deciding upon the suitability of sites, the needs of the Chinese population must be given prominence owing to its overwhelming majority. That would be only fair to the Chinese, and in the interest of the general community and the public well.

The above views may be taken for what they are worth, but the matter, I think, deserves consideration, and I commend it to the notice of our City Fathers of both the International Settlement and the French Concession. Too much emphasis cannot be laid upon the fact that we now have an opportunity such as may never arise again.

CITIZEN.

Shanghai, Aug. 28.

Who Are Property Owners?

To the Editor of the
"NORTH-CHINA DAILY NEWS"

Sir,—We have had several expressions of views on the Real Estate problem in your columns and elsewhere recently, including Mr. M. Solomon's lengthy effort which appeared on Wednesday last.

There is one question to which I should very much like an answer from one of your "authorities" on the subject, and that is: Who are the "Property Owners in Shanghai?"

Obviously we have a few hundred firms and individuals listed in the Land Assessment Schedules as "Registered Owners." In a great many cases these are mere names only, for it comes to exercising such control over the property (on the land registered in their names) as is essential to compliance with Municipal Regulations, they refer the authorities to a will o' the wisp "beneficial owner" and successfully plead impotence—a condition of helplessness which the Council acknowledges by admitting its inability to enforce such regulations against these Registered Owners. Hence the existence of most of the troubles of which the Housing Commission is now seeking a belated solution.

Then we have the "Mortgagors" who Mr. Solomon claims "are the real property owners," to whom "Shanghai ought to be thankful" because it is "at the expense of every drop of their blood that we can be proud of many magnificent buildings of modern structure in Shanghai." Well, that sounds pretty definite, doesn't it?

But what has the Property Owners' Association to say on the subject? This body meets once a year to discuss (one would expect) all the problems arising out of the ownership and administration of property—their obligations to tenants and responsibilities to the community in general, no less than the benefits and privileges which ownership confers. Yet what was the principal subject at their last meeting? Your report is headed in very bold type "Rights of a Mortgagee Need Further Strengthening," with two sub-headings

bearing on the same matter. The (apparently) quite unimportant subject of "Rent Agitations" was dismissed by the chairman in a single paragraph which concludes "your committee had every reason to believe that the agitation was inspired by professional agitators." Not a word regarding the decreased earnings of practically all their tenants and the necessity for sympathetic consideration of the position! However, the "committee devoted a great deal of time and thought to the whole matter of Mortgage Law Reform," held many meetings and discussions thereon, and having recorded the conclusion that the existing procedure for retrieving its pound of flesh is much too slow, made suggestions for speeding it up. The fact that this occupied most of the chairman's speech would certainly encourage the impression that, in the view of the S.P.O.A., the mortgagors are the people who really count!

Now Mr. Solomon is by his own confession an arbitrator, and should therefore be able to hold the scales fairly between all parties. What says he of the mortgagors?

Mortgagors only contributed financially.....but did not undertake the risks involved therein. Now it is shocking that some mortgagors (including banks) are tightening the strings around the necks of many mortgagors.....depriving them of every inch of their properties. Well, perhaps the S.P.O.A. is right after all!

Still, we may try other authorities—no less than Aristotle and Theodora Scott, joint commentators on the Real Estate business—and see what their last week's "angle of the situation" in the "Shanghai Times" indicates. What say they?

The behaviour of real estate business is marked by its three stages. First, the individual purchases property outright. Second, he borrows money on it. On account of decline, the lender afterwards becomes the true owner. Third, the lender, in his turn, needs urgently to liquidify his position and has to fall back on some prospective buyer to take it off his hands.

So we see the "buyer" becomes a "mortgagor" when he mortgages to the "mortgagee," who, subsequently "acquiring" the property, in turn becomes a "seller" to a "prospective (?) buyer"—and presumably the game starts all over again?

We are now (so the article continues) in the third and final stage. Inasmuch as the "third stage" holders are mainly banks and financial institutions, the matter is of special significance.

I cannot answer the Sophist query "Why is Shanghai Real Estate a Stumbling Block?" but I do admire Mr. Solomon's naive suggestion that a simple remedy is to be found in the creation of "a powerful trust" who would relieve the "hardly pressed mortgagors" by purchasing all the mortgaged properties "at 20 to 30 per cent. over and above the mortgaged amounts." Sounds very simple indeed, but trusts aren't usually as simple as all that.

Moreover, transfer of ownership on such a basis would do nothing to relieve the situation. What is required is that the "boom bubble" be pricked once and for all—that those who were "buyers," or "mortgagors," or "mortgagees," or "investors," or "speculators" or otherwise indulged in a gamble in property values and lost, should swallow their losses with the same good grace as they would have pocketed their (anticipated) profits, and shut up squealing about their misfortune.

But I should like to know the answer to my question—"Who are the Property Owners in Shanghai?"

LANDLUDDER.

Shanghai Aug. 29.

Mr. Solomon Replies

To the Editor of the
"NORTH-CHINA DAILY NEWS"

Sir,—Mr. Prevot, in his letter appearing in your correspondence columns of to-day, remarked at my figures as to the value of land per mow in the best section of the Settlement as against Chicago's land. The burden of proof rests on him to show the errors he finds in these figures. However, I can show Mr. Prevot that I do not doubt my figures which I have picked up from statistics carefully compiled by a realty company in Shanghai in 1931, besides my having investigated their genuineness. If he wishes to know proofs from prices paid in every day transactions, I believe he himself is aware that there are no figures of every day transactions, available by which to measure these land values. His inquiries from professional valuers perhaps may give him better proofs up to the cent.

As to Mr. Prevot's inquiries of the method how a capital could be raised in financing landed properties in Shanghai, according to my scheme, I should say details of these could not be furnished to him in a letter to the press as these require elaborate explanations.

Mr. Prevot seems to be pessimistic as to the future of Shanghai real estate, as he points out how mortgagors have been speculators. If

this is the case, since most mortgagors who contributed to the development of Shanghai, are property owners, how many buildings of modern design could Shanghai be proud of, if not for these mortgagors? It is a fact that many businesses for development need the loaning of capital, but one cannot brand every such business as a speculation which requires no protection.

Some points raised by Mr. Prevot seem to me irrelevant, except his sympathy with mortgagors, to whom I also wish to extend my support. If these mortgagors take the initiative to arrive at some compromise by mutual understanding with the mortgagors in order to solve a difficult problem amicably.

M. E. SOLOMON.

Shanghai, Aug. 29.

Value of Property

To the Editor of the
"NORTH-CHINA DAILY NEWS"

Sir,—According to last week's "Gazette" the amount of the General Municipal Rates to be collected on properties within the Settlement during 1936 was estimated at

(a) On Foreign properties \$ 5,650,000
(b) On Chinese properties 4,350,000

Or a Total of \$10,000,000

As the G. M. R. represents 14 per cent. on the rentals collected or assessed, the above estimates indicate a total rental value of \$71,428,571.

Will some one of your readers more versed in these matters than this layman, kindly be so good as to show me on what basis one can roughly calculate the total value of the property represented in that total rental value.

Assistance from an authoritative source will be greatly appreciated by,

INTERESTED LAYMAN.

Shanghai, Aug. 29.

Liquidation Wanted

To the Editor of the
"NORTH-CHINA DAILY NEWS"

Sir,—The letter written by Mr. P. H. Prevot is admirable, and is a good answer to the letter by Mr. Solomon, but both parties have overlooked the fact that most all the mortgages in question were negotiated during the period of high speculation, at fictitious values.

The land and property owners were the real winners in that speculative era. If their property was mortgaged, a second mortgage was promptly negotiated. Thus in effect, and in fact, they realized a very handsome profit on their original investment. The mortgage money received being far above the real value of the property at that time, or at this time, or even for another ten years time. Therefore the mortgagors received all they were entitled to for their property at that time. They are trying to maintain the position of eating their cake, and still having it. If they squandered this easy money the general public, when looking at their rent bill, will certainly cry, but not in sympathy with the mortgagors.

The remedy for the present situation is drastic, but the only actual losers will be the mortgagors. The remedy is, to foreclose all mortgages possible, then sell the property at auction, and dissipate the fond delusions of the once upon a time property owners, that they can eat their cake, and also have it. The real owners of eighty percent, or more, of local property, are the mortgagors, and the sooner they put their property up for sale in the local market, the quicker the real estate market will reach its proper level. There is one big trouble, the mortgagors will have to take a loss, as many of the mortgages are far above the present market value. But as Mr. Prevot states, the public's funds are invested in these properties by the banks, and it is high time the banks took their loss, and liquidated these funds.

ONCE STRUNG.

Shanghai, Aug. 29.

BEACH HOTEL

MOGI (near Nagasaki)

Spend your Holidays at Mogi. This hotel is well-known to residents in China as one of the best resorts in Japan. Only 20 minutes from Nagasaki (motor-car hire Yen 2).

Lovely sea-views, and excellent roads for motoring through picturesque mountains and valleys. Boating, fishing, bathing. Pier and diving board close to Hotel, and the Hotel motor-launch takes guests at intervals of about an hour to excellent swimming beaches (free of charge).

Mogi is also starting-point for daily sea excursions to Obama (for Unzen), Shimabara, Amakusa. The Hotel has extensive grounds with fine shade-trees. Private Tennis Court, Excellent Cuisine, (including Lobsters, Prawns, Crabs, etc.). Every room has an electric fan. Terms very moderate. Hotel representative meets all steamers. Write early for reservations.

S. SUNADA, Proprietor.

COMMERCE AND FINANCE

MONEY AND EXCHANGE

Hongkong & Shanghai Bank	
TUESDAY, SEPTEMBER 1, 1936	
OFFICIAL SELLING RATES	
London—tel. transfer C.S.\$1	1/2%
New York—tel. trans. C.S.\$100	U.S.\$29 1/2
Paris—demand C.S.\$100	Francs 456
India—demand C.S.\$100	Rupces 79 1/2
Batavia—demand C.S.\$100	Gulden 44
Hongkong—demand C.S.\$100	HK\$96
Yokohama—demand C.S.\$100	Yen 102 1/2
Singapore—demand C.S.\$100	Sing.\$95 1/2
BANK'S SELLING RATES 10.00 A.M.	
£1 @ 1/2%	\$16.70
U.S. \$100 @ 30 1/2	\$332.04
BANK'S BUYING RATES 10.00 A.M.	
£1 @ 1/2 1/2	\$16.623
U.S. \$100 @ 30 1/2	\$329.90
London—demand	1/2%
4 months' sight credits	1/2 1/2
4 months' sight debts	1/2 1/2
6 months' sight credits	1/2 1/2
6 months' sight debts	1/2 1/2
New York—demand	U.S.\$30 1/2
4 months' sight credits	30 1/2
Paris—4 months' sight debts	Fcs. 475
CLOSING RATES	
Sterling	1/2% U.S. \$30 1/2

Canadian Exchange
The Chartered Bank of India, Australia & China opening selling rate yesterday:
Can. \$100 at 30 1/2 = C.S.\$332.04

National City Bank of New York
MARKET SELLING RATES 10 A.M.
U.S. \$1 = C.S.\$333.33 Sig. £1 = C.S.\$16.005

MARKET BUYING RATES 10 A.M.
U.S. \$1 = C.S.\$329.90 Sig. £1 = C.S.\$16.623

Italian Bank for China
It. Lire 3.00 = C.S.\$1 Swiss F. 91 1/2 = C.S.\$1
Tourist Lire 4.91 = C.S.\$1

Ranque Belge Pour L'Etranger
Belgas 1.78 = C.S.\$1 Belgas 29.70 = £1

Deutsch-Asiatische Bank
OPENING SELLING RATE
Berlin-Hamburg T.T. C.S.\$100 = Rm. 74.50
C.S.\$100 = Registermark 131.00

DOMESTIC EXCHANGE
Courtesy of the Bank of China

Domestic exchange for other parts of China have been stabilized under the Nanking currency reforms remittances being made by the approved banks at a fixed rate. Market rates of exchange for Canton and Swatow dollars from September 1 were—
From Canton \$1473 for Shanghai \$1000
From Swatow \$1192 for Shanghai \$1000

Central Bank of China
Equalization charge 2 1/2 per cent.

London New York	
Bar silver forward	19 1/2 44 1/2
Bar silver forward	19 1/2 44 1/2
Bar Gold, per fine oz.	C.£13.3 U.S.\$35.00
Shanghai gold bar basis	\$1,124.20
Native interest	.09
Customs gold unit	\$23.31
" " versus U.S. \$24.975 Pence	
" " versus U.S. \$7.8125 Cents	
Central Bank's opening official rates for T.T.	
London	1/2% Berlin
New York	30 Japan
Paris	40 1/2 Hongkong

Subsidiary Coin Exchange
Kiangnan silver 20cts. a.m. 500 = 183.33
Canton silver 20cts. a.m. 500 = 183.33
Copper: a.m. 300 coppers = \$1
5 silver 20cts. and 36 coppers = \$1
26 coppers = 10cts. silver
10cts. silver and 3 coppers = 10cts. big money.

LOCAL EXCHANGE REPORT

Messrs. Drakeford, Davis & Wilson
INTER BANK SEPTEMBER DELIVERY
U.S.G. \$ Highest 1 1/2 Lowest 1 1/2
U.S. \$ 30 1/2 30 1/2
Yen 102 1/2 102 1/2

MERCHANT CLOSING RATES

CASH	
SELLING	BUYING
£ T.T. 1/2% 4 m/s. l.e. 1 1/2	
G.S. T.T. 30 1/2 4 m/s. l.e. 30 1/2	
Fcs. T.T. 457 4 m/s. 468	
Rs. T.T. 79 1/4 7 d/s. 80	

BAR SILVER
London pence per std. oz. 19 1/2 19 1/2
N.Y. cents per oz. troy 44 1/2
Bombay Rs. per 100 tolas 48 1/2
Bombay offtake 100 bars. Market quiet.

London silver was unchanged at 19 1/2 d. ready and 19 1/2 d. forward. It was reported that India bought, speculators sold, the market was quietly steady. After the official fixing the market remained steady with buyers at the fixed rate. India and the American Treasury bought while China and speculators sold. New York silver was unchanged at 44 1/2 cents and Bombay silver down 1 anna at Rs. 48.07.

The local exchange market opened yesterday morning with sellers for cash at 1 1/2% sterling, 30 1/2 U.S. and 102 1/2 yen. Business was dull with no particular feature, the market finally closing at the same rates. Forward rates showed no change.

WEEK'S EXCHANGE NOTES

Shanghai, Aug. 29.
At the close of business on the 26th instant the stock of silver in Shanghai was Tls. 2,220,000 and \$149,980,000.

These figures included Tls. 2,220,000 and \$141,500,000 in Chinese banks in which there were no bars.

There were no movements.
There were no movements.

Imports were:—
£ 656,000 from Chung Hsien (Hankow)
0,000,000 " Hankow
\$10,500,000

Exports were:—Nil.
Silver

London quotations come to-day at 19 1/2 d. ready and forward, a rise of 1/2 d. in each position as compared with last week.

The official T.T. rate remains unchanged at 1 1/2% d.
Selling T.T. 1 1/2% d. U.S. \$30 1/2.
Buying 4 m/s. l.e. 1 1/2% d. U.S. \$30 1/2.

LONDON STOCKS

Monday's Closing Quotations

By courtesy Swan, Culbertson & Fritz and Benjamin & Potts through Reuters

War Loan, 3 1/2% (Red.) 107 1/2 107 1/2

Japan 5 1/2% Sig. Loan, 1907 80 1/2 80 1/2

Japan 5 1/2% Sig. Loan, 1927 80 1/2 80 1/2

Associated & Elec. Indus. 55 1/2 54 1/2

Austin Motors, ord. 54 1/2 54 1/2

Boots Pure Drug 58 1/2 58 1/2

Bristol Aeroplane, ord. 54 1/2 54 1/2

British-American Tob. 123 1/2 123 1/2

Cammell Laird, ord. 14 1/2 14 1/2

Carroll's 52 1/2 52 1/2

Distillers 107 1/2 108 1/2

Dunlop Rubber 36 1/2 36 1/2

General Electric (England) 85 1/2 85 1/2

Imperial Chemical Industries 39 1/2 39 1/2

Imp. Tobacco 168 1/2 168 1/2

Imperial Chemical Industries 39 1/2 39 1/2

Imperial Chemical Industries 39 1/2 39 1/2

Imperial Chemical Industries 39 1/2 39 1/2

Imperial Chemical Industries 39 1/2 39 1/2

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Imperial Chemical Industries 39 1/2 39 1/2

SHANGHAI MARKETS' WEEKLY REVIEW

Decline in the Chinese Cotton Market: Total Lack of Business in Foreign Wheat

Shanghai, Aug. 29.
Due partly to liquidation on the part of tired bulls, the Chinese cotton market declined steadily during the week. The first arrivals of Shanghai and Taichong cotton are expected during the early part of September. There is still a total lack of business in foreign wheat at the present level of world prices. An unusual volume of business in Sownee featured this week's tea market, the demand being for the best available.

PIECE GOODS
Prices are a little easier locally, but there is no proper market for imports.

Yuenfong Auctions
Fifty-five packages were sold at Thursday's auction.

The market for Black Italians was steady. Black Venetians advanced 30 cents per piece, Black Velvets 55 cents, and Black Coatings 8 cents.

COTTON AND YARN
(Weekly report by courtesy of Messrs. J. Spunt & Co.)

Chinese Cotton.—Our market declined continually throughout the past week due to liquidation on the part of tired bulls, as well as professional selling and hedging on the part of the bull syndicate as a protective measure against their holdings of spot cotton. While the demand for spot cotton was hardly noticeable, business on the new crop cotton was being done daily at scale down rates, and all of these commitments have been made for local consumers. No activity has as yet been discernible on the part of exporters to our industrial neighbour, which may be ascribed to the fact of current prices being about \$2 higher when compared with similar grades of the Indian growth. August tenders amount to little over 50,000 shih-tan, comprising mostly Tientsin rough, Ningpo and Lingpo varieties. The closing quotation for August deliveries was set as low as \$41.50, which proved to be very mortifying to the bulls. Due note was taken of the initial arrivals, during the week, of the new Ningpo cotton, amounting to about 2,000 bales and prices were carried from \$37 to \$34 per shih-tan. Weather conditions have been quite normal and the first arrivals of Shanghai and Taichong cotton may be expected during the early part of next month. The general sentiment appears to be rather bearish and the trend of the market inclines to be easier. However, as the market has been steadily declining for the past ten days, bringing about a drop in the aggregate of \$3 per shih-tan, reactions are most likely to occur. A number of cotton merchants are covering their previous commitments instead of making further sales and actual cotton producers are retaining from short sales at present rates, basing their attitude on the fact that there is more safety in conducting business at the time of harvesting, when they will be more assured about their crop. Taking the foregoing into consideration, some natural reaction may be reasonably expected in the immediate future and, therefore, as far as spinners are concerned, it would not be inadvisable to provide for their requirements at current prices and gradually take supplies on a scale-down basis.

Yarn.—Business transacted has been quite normal but prices were carried down some four dollars per bale, consequent on the weakness of the raw material. Local stocks are estimated to be around 50,000 bales, which is considered to be comparatively low and therefore the undertone for yarn appears to be healthier than that for raw cotton.

SHANGHAI MARKET
Shanghai Oct. ex-mill \$42.00
Tunchow, Oct. ex-mill \$44.00
Shensi, Oct. ex-mill \$45.00
Lingao, Nov. ex-mill \$46.00
Tientsin Amer., Oct. ex-mill \$35.50

WHEAT AND FLOUR
World wheat markets continue to show a very steady aspect, and experience a good consumptive demand. The level of world prices precludes any chance of business in foreign wheat at China.

The Shanghai flour market is very steady, but there is no particular feature to report.

RICE
The wholesale price of rice yesterday ranged from \$10.10 to \$11.70 per picul. Retail prices quoted by local rice shops were as follows:

Chinese rice: Best quality, \$11.80; good, \$11; ordinary, \$10.20.

Saigon rice: Best quality, \$10.60; good, \$9.60; ordinary, \$8.60.

SILK
The raw silk market has weakened during the past week, but buyers continue to stay aloof. Prices are expected to decline further in order to create some interest on foreign markets.

TRADE RETURNS FOR JULY

Imports Greater Than Exports by \$14,000,000

The Monthly Returns of the Foreign Trade of China for July 1936 show net imports for the month of \$74,915,088 and net exports \$60,451,236, making a total of \$135,366,322, which gives an excess of imports over exports of \$14,463,850. For the seven months January to July the excess of imports over exports amounted to \$140,752,625 as against \$304,503,071 for the corresponding period of last year. The total imports of silver amounted to \$4,085,227 and of gold to \$27,000 Gold Units. The exports of silver amounted to \$14,811,930 and of gold to 5,182,438 Gold Units.

The excess of exports for the seven months in respect of silver is \$110,716,703 and of gold 4,255,438 Gold Units as compared with an excess of exports of Gold Units in the same period, 1935, of 13,856,993, and an excess of silver for the same period of \$6,012,729. For the month of July this year the excess of exports of gold amounted to 5,132,772 Gold Units and of silver \$10,925,600.

Important Declines
Turning to the imports for January-July 1936, a decline is shown of \$76,000,000. This is at once accounted for by a decline of \$78,000,000 in the import of cereals and flour (group 10), the actual figures being for January-July 1936 \$41,999,975 and for the corresponding period in 1935 \$120,586,027. Within the group the decline may be accounted for in millions by a drop of \$58, in the import of rice and paddy, and \$20, in the import of wheat, Burma and French Indo-China being the principal losers in respect of rice, and Australia in respect of wheat. Other declines in imports in millions were \$6, in respect of cotton piece-goods, while or dyed, and \$6, in raw cotton.

Increases were reported in respect of flax in millions \$5, woollens (manufactures thereof) \$8, metals and ores \$31, vehicles and vessel \$14, and sundries \$24.

The increases in exports for the seven months amounted to \$88,000,000, the total being \$395,162,705 and \$308,328,005 respectively. This increase is almost accounted for by the following (in millions of dollars): Animal products \$12; hides, leather and skins \$14; oil, tallow and wax \$20; textile fibres \$17; yarn thread, plaited and knitted goods \$3; piece goods \$3; ore, metals etc. \$8.

The percentage of trade obtained by the chief importing and exporting countries may be given thus:

	Imports	Exports
	1935	1935
Jan. Jan. Jan. Jan.		
Br. India	4.69	2.34
Canada	2.28	2.11
France	1.20	2.00
Germany	10.09	17.18
U.S. Britain	9.60	11.85
Japan	14.20	14.84
Hongkong	2.04	1.80
Netherlands	5.71	7.08
United States	19.42	18.41

LAND taxes will be collected by the Nanking City Government commencing in October.

JAPAN HITS BACK AT AUSTRALIA

Osaka, Aug. 25.
Created at the suggestion of the Government, the Society for the Control of Wool Imports made its initial bow here to-day.

The body, as its name implies, will have complete control over the importation of wool and is the outcome of negotiations between representatives of the Wool Industry Association and the Wool Importers' Guild, and Mr. Susumu Terao, director of the Trade Bureau of the Ministry of Commerce and Industry. It was created to facilitate the enforcement of the Government's policy to curb imports of Australian wool and facilitate those from South Africa, South America, and New Zealand.—Domel.

Hongkong & Shanghai Banking Corporation

(Incorporated in the Colony of Hongkong. The Liability of Members is limited to the extent and in manner prescribed by Ordinance No. 6 of 1929 of the Colony.)

CAPITAL:
Authorized \$50,000,000
Issued and fully paid up 20,000,000
Hongkong Currency Reserve Fund 10,000,000

RESERVE FUNDS:
Sterling £6,500,000
RESERVE LIABILITY OF PROPRIETORS \$20,000,000

Head Office: HONGKONG
London Branch: 9 GRACECHURCH STREET, E.C. 3
Shanghai Branch: 12 THE BUND
Shanghai Sub-Agency: 65 BROADWAY
New York Agency: 72 WALL STREET

INTEREST allowed on Current Accounts and on Fixed Deposits according to arrangement.

LOCAL BILLS discounted.
CREDITS granted on approved securities and every description of Banking and Exchange business transacted.

DRAFTS granted on London and the chief commercial places in America, Australia, China, Europe, India and Japan.

SAFE DEPOSIT BOXES to rent.
SAVINGS BANK OFFICE Accounts will be kept in Dollars Local Currency.

Full particulars on application

SERVICE OF CHINESE RAILWAY BONDS

Ministry's Offer Regarding the Canton-Kowloon Loan: Favourable Reception in England

Shanghai, Aug. 25. The Minister of Railways, Mr. Chang Kia-ngau, announced to-day the following offer concerning the resumption of service of the bonds of the Canton-Kowloon Railway Loan of 1905—

1.—Interest will be paid at the rate of 2½ per cent. per annum for the first 20 years, and 5 per cent. thereafter; with the proviso that, during the first twenty years, should the net earnings of the railway amount to more than \$200,000 per annum, the surplus will be used, first, to increase the interest to a maximum of 5 per cent., and then for additional amortization payments. The first interest payment will be on June 1, 1937.

2.—As from June 1, 1936, an annual loan service fund of \$550,000 will be provided, of which \$350,000 will come from funds available to the Ministry and \$200,000 from the railway. This fund will be increased to \$800,000 from June, 1941,

by an additional payment of \$250,000 from the Ministry, to be used for amortization of principal.

3.—Amortization payments will commence on June 1, 1937, out of the balance of the loan service fund, remaining after payment of interest. The principal of the loan will be fully repaid within a maximum period of 50 years.

4.—Four-fifths of the interest in arrears will be cancelled. Non-interest bearing scrip will be issued for the balance and will be paid after the complete amortization of the principal of the loan.

The Minister of Railways states that steps are being taken to improve the condition of the Canton-Kowloon Railway and its administration, with a view to benefitting both the Government's interests and those of the bondholders.—Reuter.

A Good Impression

London, Aug. 25. "Really China is growing almost too respectable," smilingly said the Chinese Ambassador, Mr. Quo Tai-chi, when interviewed by Reuter to-day apropos the recent loan settlements and the popularity of Chinese loans as compared with a few years ago. Financial editors to-day gave prominence to the latest settlement.

The "Financial Times" has an article by Dr. F. K. Pan, chief secretary of the Chinese Ministry of Railways, emphasizing the importance the Chinese Government attaches to liquidating debts and restoring national credit, especially with a view to obtaining fresh capital for the construction of new railways. The Chinese Government, Dr. Pan says, is perfectly sincere with its creditors, and it only asks that they show a similar spirit in negotiation and recognize the changed conditions in both China and the world.

There have been many indications in recent months of an increasing tendency to take a favourable view of conditions in China. Nanking's success in handling the Southern revolt has created a good impression, while many observers remark on the less disturbing character of Japan's policy towards China since the Tokyo mutiny of February 26. Some observers regret the cancellation of a portion of the railway debts, as condoning the principle of repudiation, but generally the agreements between the Chinese Government and bondholders are welcomed, as China's difficulties and desire to make good are recognized.

The Chinese Government announcements regarding resumption of interest payments on Lung Tsing Uhai and Canton-Kowloon Railway bonds have been variously received on the London Stock Exchange. Rumours that service on the Lung-tsing Uhai bonds would be resumed have been so long rife that the immediate effect of the announcement was a fractional fall in the price of the bonds.

Some quarters have expressed disappointment that the interest rate does not start at better than 1½ per cent. The market attributes the trend of Lungtsing bonds to an over-bought position which has resulted in liquidation by tired bulls. On the other hand, other quarters point out that the interest on Lungtsing will be within two years at least equal to the payments of the Canton-Kowloon bonds, for which reason Lungtsing are a better buy than Kowloons.

The spectacular jump in the price of Kowloons within the last few days—from about £33 to £42—surprised many people, who were not expecting an immediate payment of more than 1½ or 2 per cent., but the market realizes that the discrepancy in the price movements between Lungtsing and Kowloons largely is attributable to the difference in the amounts outstanding. Kowloon outstandings at present are only £171,000 in interest, plus drawings of £240,000, whereas the amount outstanding in respect of Lungtsing is £4,000,000. At present Lungtsing are quoted £32 sellers, and Kowloons £42 bid.—Reuter.

British Papers' Tribute

London, Aug. 26. A tribute to the Chinese Government for the steps it is taking to resume the service of railway bonds is paid by the financial newspapers to-day.

Full recognition, says the "Financial Times," must be given to the evident desire of the Chinese authorities to secure the rehabilitation of national credit. The journal acknowledges the sincerity of the Chinese authorities in this matter. The Minister of Railways (Mr. Chang Kia-ngau), it says, evidently takes a very broad view of his responsibilities. On his shoulders will fall the task of improvement and extension of the Chinese railway system to conform with modern standards of efficiency and meet the

COOLNESS IN LONDON TO ITALIAN BONDS

Complete Lack of Desire to Subscribe Evident

London, Aug. 28. The London money market is inclined to regard with diffidence to-day an announcement that Italy has empowered the issue of treasury bonds in foreign currencies and foreign markets. It is pointed out that the difficulty of making such an issue at present is great, owing to the low state of Italy's credit, and it is emphasized that any success is likely to be due solely to the patriotism of Italian nationals resident abroad.

The money market proper affirms a complete lack of desire to subscribe to the proposed bonds, interest on which is variously rumoured at five and six per cent., and suggests the only possibility is that outside financiers may be tempted to deal in them. Italian financiers in London are stated to have hinted that the first attempt at flotation of the bonds is likely to take place this autumn, in New York, after which London is the most likely venue.—Reuter.

To Exploit Ethiopia

Rome, Aug. 27. What is regarded as the first step towards a big financing scheme for the early exploitation of Abyssinia, is contained in an official decree which authorizes the Minister of Finance to issue special treasury bonds in foreign currency, redeemable in periods from 12 to 36 months, to be placed on foreign stock markets.

The rate of interest has not yet been fixed, but it is thought that the operation will probably be dealt with in the United States when the new Italian Ambassador to America, Signor Suvich, arrives in Washington in October.—Reuter.

KOTA BAHROE RUBBER ESTATES

Messrs. A. R. Burkill & Sons, Ltd., Secretaries and General Managers of the Kota Bahroe Rubber Estates (1921) Ltd., state that the profit for the year ended June 30, 1936, amounted to \$54,439.11 which, added to the sum of \$9,067.25 brought forward from previous year, makes a total of \$63,506.36 at credit of profit and loss account.

INT'L. TIN COMMITTEE MEETING

London, Aug. 27. The meeting of the International Tin Restriction Committee, which was scheduled to take place in London on September 18, has been further postponed until September 23.

The announcement of the postponement of the meeting was welcomed here as offering a ray of hope that the continuance of the restriction scheme may yet be secured.—Reuter.

BRITISH RETAIL TRADE IN JULY

London, Aug. 26. The value of retail trade in July was 5.8 per cent. higher than one year ago. Stocks were 1.7 per cent. greater in value and employment was two per cent. higher.—Wireless Through Reuter.

growing need of commercial expansion. Credit must take an important part, and an agreement concerning old debts best calculated to facilitate the provision of external finance is necessary until Chinese capital is prepared to undertake such work.

The "Financial News" also welcomes the efforts of the Chinese Government. The Minister of Railways, it remarks, is to be congratulated upon the measure of success he has achieved in the direction of rehabilitating Chinese railway credit.

The City Editor of "The Times" comments that there is steadily increasing evidence of the firm intention of the Chinese Government to improve the credit of the railways.

A Firm Market

The firmness of to-day's market for Chinese bonds reflects the satisfaction felt in City circles over China's efforts to put her house in order. Stock Exchange buying of the leading Chinese bonds is now better regulated and is largely for investment. This is the natural outcome of the realization that Chinese issues offer a better yield than gilt-edged industrial shares, though Chinese bonds are still considered as rather a speculative proposition.

The movement has also been materially assisted by evidence of a lack of desire to invest further in Japanese issues, owing to that country's huge military programme.—Reuter.

NEW YORK STOCKS

By courtesy Swan, Culbertson & Fritz

Shanghai, Aug. 29. Price fluctuations on the New York Stock Exchange have been extremely erratic during the period under review, and though the averages have moved over a wide range, the net results for the week's trading were only negligible changes. After the sharp reaction on Friday wherein the market registered its widest recession for a single day since the latter part of April, quotations rallied on Saturday and Monday, turned irregular on Tuesday and declined again on Wednesday. A broad advance on Thursday, however, the best since May 14, carried prices back again to their approximate levels before Friday's break. The volume of trading was relatively small and remained under the 1,000,000 share mark except on Friday's reaction and Thursday's rally.

Conditions on the commodity markets were likewise irregular. Wheat after selling off because of poor export demand and increased hedging in Winnipeg, steadied on good mill buying. Corn declined on the reported improvement in some sections where conditions had previously been considered hopeless. Cotton was fairly steady with liquidation and hedging offset by unfavourable weather conditions and expectations of reduced private estimates. Rubber remained dull and depressed until Wednesday when prices advanced on short covering and a better dealer demand.

The New York Times business index declined fractionally but was nevertheless 17 per cent. above its level last year, and reports from individual fields were very encouraging. Electricity production established a new all-time peak while steel operations were at their best levels for the current year. Automobile output increased over the previous week though production is still being restricted while preparations are made for the new models.

The market in figures:

	Thursday	Aug. 29	Aug. 27	Change
D. J. Average for 30 Industrials	165.59	166.77	up 1.18	
D. J. Average for 20 Rails	53.63	53.81	up .18	
D. J. Average for 40 Utilities	34.54	34.16	off .38	
D. J. Average for 40 Bonds	103.83	103.94	up .11	
D. J. 11 Commodity Index	67.30	66.79	off .51	
Bethlehem Steel	62	67	up 51	
Century Fox	26½	30½	up 4	
U.S. Industrial Alcohol	35½	32	off 3½	

Commodity prices:

	Thursday	Aug. 29	Aug. 27	Change
Chicago wheat	112½	110½		
Winnipeg wheat	100½	98½		
Corn	98½	95½		
Rubber	11.08	11.54		
Hides	11.38	11.45		
Copper	8.43	8.46		
Montreal silver	44.15	44.80		
N.Y. Times Index	Previous	Latest		
Steel operations (% of capacity)	72.2	72.5		
Carloadings (carloads)	728,000	736,000		
Electric power production (k.w.hrs.)	2,094,000	2,126,000		
Automobile output (cars)	56,679	73,709		
Average daily oil production (bbls.)	3,070,000	3,069,000		
Cash omitted				

Stock Outlook: The probability of excellent business this Autumn is being somewhat offset so far as the stock market is concerned by political uncertainties and the danger of labour troubles though the latter are likely to be postponed until after the election. The action of the market itself is entirely inconclusive and is likely to continue so until it breaks through on increasing volume either its recent highs or lows as given below:

Recent high 100.10 8/8 55.74 8/8

Recent low 100.80 8/21 51.84 8/21

Monday's Closing Quotations

	Aug. 29	Aug. 28
Adams Express	121 1/2	122 1/2
Amer. Cyanamid "B"	34 3/4	34 3/4
Amer. & For. Pwr.	7 1/2	7 1/2
Amer. Locomotive	37 1/2	37 1/2
Amer. Radiator	22 1/2	22 1/2
Amer. Smelter	83 1/2	83 1/2
Amer. Sugar Ref.	63 1/2	63 1/2
Amer. Tel. & Tel.	174 1/2	174 1/2
Amer. Tobacco "B"	102 1/2	102 1/2
Amer. Waterworks	24 1/2	24 1/2
Anaconda Copper	38 1/2	38 1/2
Atchafalpa & S. Fe	82 1/2	82 1/2
Atlantic Ref. Co.	27 1/2	27 1/2
Ats. Corp.	13 1/2	13 1/2
Auburn	30 1/2	30 1/2
Baldwin & Ohio	20 1/2	20 1/2
Bethlehem Steel	67 1/2	67 1/2
Boeing Airplane Co.	29 1/2	29 1/2
Borden Co.	30 1/2	30 1/2
Bklyn-Manhattan Trans.	51 1/2	51 1/2
C. & O. Ry.	103 1/2	103 1/2
Cash, J.I.	12 1/2	12 1/2
Chas. & Co.	12 1/2	12 1/2
Chase Nat. Bank	47 1/2	47 1/2
Chesapeake Corp.	82 1/2	82 1/2
Columbia & Ohio	114 1/2	114 1/2
Chrysler	21 1/2	21 1/2
Columbia Gas & Elec.	16 1/2	16 1/2
Comm. Credit	80 1/2	80 1/2
Comm. Solvents	16 1/2	16 1/2
Comm. & Southern (ord.)	31 1/2	31 1/2
Consolidated Edison	43 1/2	43 1/2

Consolid.	121 1/2	121 1/2
Continental Oil	30 1/2	30 1/2
Corn Products	69 1/2	69 1/2
Curtiss Wright (com.)	61 1/2	61 1/2
Delaware & Hudson	146 1/2	146 1/2
Distillers Corp.	23 1/2	23 1/2
Douglas Aircraft	73 1/2	73 1/2
Du Pont de Nemours	150 1/2	150 1/2
Elec. Bond & Sh.	14 1/2	14 1/2
" " \$5 pfd.	23 1/2	23 1/2
" " \$6 pfd.	71 1/2	71 1/2
Elec. Power & Lt.	152 1/2	152 1/2
Flintkote Co.	36 1/2	36 1/2
Gen. Claret	53 1/2	53 1/2
Gen. Elec.	47 1/2	47 1/2
Gen. Foods	38 1/2	38 1/2
Gen. Motors	60 1/2	60 1/2
Gen. Railway Signal	14 1/2	14 1/2
Goldust	14 1/2	14 1/2
Goodrich (B.F.)	24 1/2	24 1/2
Goodyear Tire & R.	41 1/2	41 1/2
Great Northern Ry.	36 1/2	36 1/2
Great Western Sugar	65 1/2	65 1/2
Int. Nickel	12 1/2	12 1/2
Int. Tel. & Tel.	12 1/2	12 1/2
Kennecott	47 1/2	47 1/2
Libbey-Owens-Ford Glass	59 1/2	59 1/2
Loew's Inc.	22 1/2	22 1/2
Lorillard	49 1/2	49 1/2
Monsanto Chemical	47 1/2	47 1/2
Montgomery Ward	42 1/2	42 1/2
Nat. City Bank	42 1/2	42 1/2
Nat. Dairy Prods.	30 1/2	30 1/2
Nat. Distillers	122 1/2	122 1/2
Nat. Power & Lt.	43 1/2	43 1/2
New York Central	30 1/2	30 1/2
North Am.	27 1/2	27 1/2
Pacific Gas & Elec.	38 1/2	38 1/2
Packard Motors	11 1/2	11 1/2
Paramount Pictures Inc.	81 1/2	81 1/2
Pennsylvania R.R.	39 1/2	39 1/2
Phillips Dodge Corp.	42 1/2	42 1/2
Phillips Petroleum	46 1/2	46 1/2
Public Serv.	11 1/2	11 1/2
Radio Corp.	102 1/2	102 1/2
Reynolds Tobacco "B"	56 1/2	56 1/2
Schenley	47 1/2	47 1/2
" " 5 1/2 pfd.	96 1/2	96 1/2
Scars Roebuck	84 1/2	84 1/2
Secor	13 1/2	13 1/2
Shirn. Cal. Edison	43 1/2	43 1/2
Shirn. Pacific	43 1/2	43 1/2
Stand. Brands	15 1/2	15 1/2
Stand. Gas & Elec.	72 1/2	72 1/2
Stand. Oil of N.J.	63 1/2	63 1/2
Sterling Prods.	72 1/2	72 1/2
Swift International	30 1/2	30 1/2
Technicolor	27 1/2	27 1/2
Texas Gulf Sulphur	38 1/2	38 1/2
Transamerica	13 1/2	13 1/2
Twentieth Century Fox	30 1/2	30 1/2
Un. Carbide & Carbon	96 1/2	96 1/2
Un. Airfract (new)	23 1/2	23 1/2
Un. Airline Trans.	17 1/2	17 1/2
Un. Carbide	75 1/2	75 1/2
" " \$3 cum. pfd.	47 1/2	47 1/2
Un. Gas Improvement	161 1/2	161 1/2
U.S. Indus. Alcohol	33 1/2	33 1/2
U.S. Rubber	40 1/2	40 1/2
U.S. Steel	70 1/2	70 1/2
Vanadium	23 1/2	23 1/2
Westing. Bros. Plet's	131 1/2	131 1/2
Westinghouse Elec.	138 1/2	138 1/2

BONDS

Abitibi Power & Paper	52 1/2	51 1/2
Amer. & For. Power	70 1/2	70 1/2
Amer. Waterworks	104 1/2	104 1/2
Anaconda Copper	104 1/2	104 1/2
Columbia Gas & Elec.	104 1/2	104 1/2
Int. Tel. & Tel. Conv.	85 1/2	85 1/2
Int. Tel. & Tel.	77 1/2	77 1/2
New England Gas & Elec.	72 1/2	72 1/2
Peru 6 1991	113 1/2	113 1/2
Stand. Gas & Elec.	85 1/2	85 1/2

JOINT RESERVE BOARD

Member Banks' Clearing

WEDNESDAY, AUG. 26, 1936

Inter-Member Bank Clearings	\$13,465,220.42
Member Bank Transfer	\$25,577,092.53
Collections From Non-Member Banks, Native Banks and Firms	\$3,302,521.04
Total	\$42,074,833.99

FRIDAY, AUG. 28, 1936

Inter-Member Bank Clearings	\$38,449,165.39
Member Bank Transfer	\$45,043,489.35
Collections From Non-Member Banks, Native Banks and Firms	\$8,121,011.34
Total	\$91,614,566.08

SATURDAY, AUG. 29, 1936

Inter-Member Bank Clearings	\$20,706,806.56
Member Bank Transfer	\$33,295,984.26
Collections From Non-Member Banks, Native Banks and Firms	\$4,480,220.76
Total	\$58,483,011.58

MONDAY, AUG. 31, 1936

Inter-Member Bank Clearings	\$46,858,774.78
Member Bank Transfer	\$55,239,221.25
Collections From Non-Member Banks, Native Banks and Firms	\$10,358,653.89
Total	\$112,456,649.92

TUESDAY, SEPT. 1, 1936

Inter-Member Bank Clearings	\$17,240,562.84
Member Bank Transfer	\$30,349,664.57
Collections From Non-Member Banks, Native Banks and Firms	\$2,975,067.80
Total	\$50,575,295.21

CHINA COMMODITIES

Yesterday's Quotations

	Opening	Closing
Cotton, October	31.15	31.25
February	38.50	38.20
Yarn 20's C.K. Sept.	197.50	195.60
February	199.70	197.00
Flour G. W. Sept.	3.15	3.1075
February	3.205	3.24
Wheat, Sept.	4.90	4.83
February	5.30	5.33
Soya-bean, Dec.	4.70	4.72
Beans, Sept.	20.00	20.15
January	17.50	17.51
Sesamum, Sept.	—	—
Bean-cake, Sept.	piece	—
Rice, bare retail	11.80	10.69
Good retail	11.00	9.60
ordinary	10.20	8.60

Shanghai Stock Exchange Official Share Report with Closing Quotations, August 28, 1936

REPORT No. 34/1936 for week ending August 28, compiled by J. P. Bisset & Co. on behalf of the Shanghai Stock Exchange

COMPARATIVE OPENING CASH PRICES										BUSINESS RECORDED DURING WEEK										STOCK										PAID UP										LAST DIVIDENDS, ETC.										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SPORTS AND PASTIMES

SHANGHAI CRICKET LEAGUE GAMES

Individual Brilliance of A. Boisseree: Scores Century in 49 Minutes, With Few Boundaries

The Cricket Club and the Rees shared honours in Saturday's (Aug. 29) cricket matches, each Club winning one of the two league fixtures which were played off. On the Club ground the Colts defeated the Nomads by 110 runs thanks to a brilliant century by A. Boisseree, and on the Rees' pitch, the Wanderers ran out winners by nine wickets over the Tyros as a result of an unexpected collapse of the Rees' team.

The Colts won their match practically due to the individual brilliance of A. Boisseree, who has been acknowledged as the best field this season, but who had hitherto never been regarded as a batsman of promise. Boisseree carried his bat for the century, retiring when he had reached the 100 mark, and gave a fine display, with only one difficult chance, which was a catch, not accepted in slips. He scored his century in 49 minutes, and more unique was the fact that most of his runs were not from boundary hits. He ran nine threes, and a number of singles, and showed that by judiciously taking advantage of every possible chance to run, the score could be added to rapidly. Being extremely fit, he was quite able to do this, but it was noticed from the pavilion that his colleagues were unable to keep up the "running marathon." Pat Madar was associated with him in a good stand and with the skipper's departure, Pate and Aldaguer held the fort till the declaration was made. The side put on their 202 runs in two hours and ten minutes.

As a result of Boisseree's fine display, at a period when the Rees' were in a bad position, having lost 4 wickets for 18 runs, the Nomads' earlier prospects of good analyses were doomed to disappointment and they were badly punished.

Successful Tactics

The Cricket Club team's start was not at all impressive. Pullen survived longer than the earlier promise of good things, but after both were dropped by Shroff, Pat Madar cleverly changed his bowling around and with King's departure, the fall fell quickly and the side's hopes of forcing the draw were dashed to the ground, the team being all out for 92 runs.

Colts	
T. Madar, l.b.w., b. Parker	8
C. Logan, b. Parker	0
S. F. Shroff, c. Lydall, b. Taylor-Gill	8
A. F. Gomez, run out	0
P. Madar, c. and b. Parker	34
A. Boisseree, not out	100
K. M. Pate, b. Leckie	27
T. J. Aldaguer, not out	11
Extras	14
Total (for six wks. dec.)	202

H. B. Cochran, L. Marcal, F. Kellner, did not bat.

Fall of wickets: 1-1, 2-13, 3-18, 4-18, 5-112, 6-167, 7-202.

Bowling	
O.	M. R. W.
H. V. Parker	16 1 62 3
A. P. T. Taylor-Gill	7 0 40 1
J. B. H. Leckie	13 0 53 1
K. Foot	4 0 19 0
J. C. Pullen	1 0 9 0
I. H. Kendall	1 0 5 0

Nomads

J. B. H. Leckie, l.b.w., b. S. F. Shroff	6
F. Marshall, c. Shroff, b. Kellner	10
J. C. Pullen, c. Kellner, b. Shroff	21
H. V. Parker, b. Cochran	3
P. V. Simpson, c. and b. Kellner	7
I. H. Kendall, b. P. Madar	18
C. F. King, c. Boisseree, b. Kellner	18
K. Foot, b. Kellner	0
W. Lydall, b. P. Madar	0
A. P. T. Taylor-Gill, not out	0
A. G. Howe, b. P. Madar	4
Extras	0
Total	92

Fall of wickets: 1-12, 2-17, 3-20, 4-42, 5-53, 6-81, 7-83, 8-85, 9-87, 10-92.

Bowling	
O.	M. R. W.
H. B. Cochran	12 6 19 1
F. Kellner	11 3 36 4
S. F. Shroff	9 1 15 2
P. Madar	8 2 22 2

"Grim Humour"

It might have been called a comedy of errors, had there been a reason to include the word comedy to the grim humour of the Tyros' innings, for wickets fell in rapid succession in the most distressingly simple manner. No less than three batsmen were run out through mistakes, and the remainder played very poorly. A. G. White alone gave hopes of good things when he played throughout the innings to score 16 runs in a patient innings, holding his end up very well while a succession of batsmen fell to the

bowling of Anstie and Lucas. Only two bowlers were used by the Wanderers, and both came off exceptionally well, Lucas getting 4 wickets for 16 and Anstie 3 for 20.

With only 37 runs to beat, the Wanderers won the match with but the loss of one wicket. Play was continued to the tea interval and then stumps were drawn, and by then Hegarty had knocked up 43 runs and Pearson 36, both carrying their bats.

Tyros

H. P. Madar, c. Pearson, b. Lucas	1
A. G. White, l.b.w., b. Lucas	16
F. R. Kermari, l.b.w., b. Anstie	3
A. A. White, c. Chadwick, b. Lucas	8
C. J. Smith, run out	1
J. Lorlor, b. Anstie	1
A. C. Cooper, run out	0
R. T. Lindley, b. Lucas	0
U. Mohideen, run out	2
T. E. Stenning, b. Anstie	0
H. P. Meston, not out	1
Extras	1
Total	37

Fall of wickets: 1-1, 2-5, 3-18, 4-19, 5-20, 6-20, 7-20, 8-24, 9-27, 10-37.

Bowling	
O.	M. R. W.
E. H. Anstie	9 2 20 3
J. C. Lucas	9 4 16 4

Wanderers

J. M. Pearson, not out	17
A. T. Bridge, b. Meston	20
J. T. Hegarty, not out	2
Extras	0
Total (for one wkt.)	39

G. J. P. Carey, A. J. Barson, R. Booth, J. C. Lucas, W. Mellor, T. H. Wood, W. V. K. Chadwick, E. Anstie, did not bat.

Bowling	
O.	M. R. W.
H. Meston	8 1 16 1
F. R. Kermari	5 0 16 0
T. E. Stenning	3 0 7 0

INTERPORT CRICKET

The selectors were given further cause to worry as a result of Sunday's (August 30) performances in the interport trial cricket match which took place on the S.C.C. ground, for although several confirmed expectations and practically played themselves into the team, there were others who did not come up to form. Notable was the absence of a good opening pair of batsmen, H. A. Sevenoaks and P. V. Simpson failing to impress, and L. F. Stokes and E. H. Anstie on the other team, only giving a slightly better performance.

P. Madar's XI had first knock in the match, and put on 165 runs in just over three and a quarter hours, a late stand between F. P. Bailey and S. F. Shroff saving the side from being dismissed for just over the century. In reply A. J. Barson's XI went in and made 194 runs for 8 wickets, the skipper and R. Booth both retiring after they had scored a half century, in order to give the later batsmen a chance. H. V. Parker scored 42 in a forcing innings, but was distinctly lucky not to have been out as he had three fives, the first off the first ball he faced.

The impressive batting performances by A. J. Barson and R. Booth, who are certain for the interport team, augurs well for Shanghai. They have been very consistent throughout the season. Neither gave a chance yesterday, although both were beaten by the bowling on one or two occasions.

P. MADAR'S XI

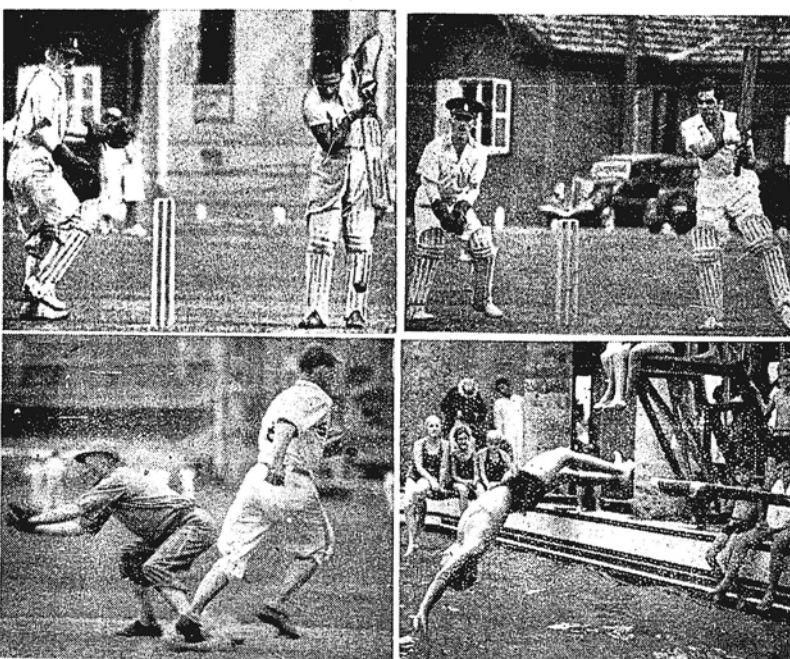
L. F. Stokes, b. Gavenlock	9
E. H. Anstie, b. Kermari	19
C. Logan, b. Lucas	4
F. Marshall, c. Parker, b. Sevenoaks	27
P. Madar, at Bridge, b. Sevenoaks	19
N. Hart-Baker, c. Simpson, b. Lucas	8
B. B. Boddy, l.b.w., b. Lucas	37
F. P. Bailey, c. Gavenlock, b. Lucas	37
H. B. Cochran, c. Lucas, b. Parker	5
S. F. Shroff, run out	21
H. A. Coward, not out	9
Extras	6
Total	165

Fall of wickets: 1-19, 2-30, 3-45, 4-77, 5-88, 6-90, 7-97, 8-108, 9-142, 10-165.

Bowling	
O.	M. R. W.
E. T. Gavenlock	18 5 53 1
J. C. Lucas	18 8 34 4
F. R. Kermari	10 2 26 1
H. V. Parker	13 3 20 1
H. A. Sevenoaks	6 0 12 0
R. Booth	4 0 13 0

A. J. BARSON'S XI

H. A. Sevenoaks, b. Shroff	5
P. V. Simpson, c. and b. Anstie	1
A. J. Barson, retired	52
R. Booth, retired	51
A. G. White, b. Bailey	2
H. P. Madar, at Coward, b. P. Madar	11
H. V. Parker, not out	42



Cricket, swimming, and baseball were the main local sporting activities on August 30. The top two photographs were taken during the Parsee Cricket Club's innings against Area Details; The baseball picture, bottom left, is of the game, which developed into a "rag" between an Over 35 and Under 35 teams. An exhibition backward dive by a small competitor in the Columbia Country Club's Children's Gala, held in the morning, is shown in the bottom right photograph.

SPORT IN LATE AUGUST

"N.-C. Herald" Photos.

C. J. C. RACE RESULTS

SHANGHAI, Aug. 30, 1936

1-SUMMER GYMCHANA, 3/4 mile.	
Hard Cash (K. C. Chung & K. F. Chao) 143 W. F. Ong 1	
Fairy Gannet (China) 143 H. Huang 2	
Chincha (C. M. S.) 145 H. M. Botelho 3	
Won by 1/2 length; 1/2 length.	
Time, 1.37 sec.	
Win, \$23.20. Places, \$8.20, \$7.80.	
2-7 furlongs.	
Opal Morn (Florence) 153 B. L. Tao 1	
Tartar Conqueror (Plan) 146 S. C. Chang 2	
Enlargement (Mont) 152 S. Y. Sung 3	
Won by 2 lengths; a neck.	
Time, 1.54 sec.	
Win, \$11.20. Places, \$7.20, \$16.20.	
3-3/4 mile.	
Winner (Wind) 150 H. Huang 1	
Craftdom (Plane) 140 P. Y. Vong 2	
Quagline (Sokoloff) 149 H. M. Botelho 3	
Won by 1 1/2 lengths; 3/4 length.	
Time, 1.53 sec.	
Win, \$50.60. Places, \$16.80, \$25.60, \$14.20.	

Forrest Towns Improves on His Own Record

Oslo, Aug. 27.

Forrest Towns, of Georgia, who established a world record for the 110 metres high hurdles at the Olympic Games in Berlin, beat his own mark here to-day. Towns was clocked in the time of 13.7 seconds, clipping 4/10th of a second off his former mark.—Reuter.

4-7 furlongs.	
Calvalcade (C. P. Chang) 156 W. F. Ong 1	
Merry Tom (Force) 155 T. L. Wong 2	
White Down (H. T. Van) 150 P. Y. Vong 3	
Won by a head; 2 1/2 lengths.	
Time, 1.50 sec.	
Win, \$70.40. Places, \$16, \$7.40, \$13.20.	
6-1 mile.	
Contentment (Mont) 155 S. Y. Sung 1	
Happy Lad (R. H. McNair) 150 G. L. Chen 2	
Pennycomequick (K. C. Chung) 145 H. Huang 3	
Won by 2 lengths; 2 lengths.	
Time, 2.07 sec.	
Win, \$13. Places, \$7.40, \$13.40, \$9.60.	
7-1 mile.	
Merry Abe (Peanut) 150 B. L. Tao 1	
Partner (Wind) 153 H. Huang 2	
Legatship (Mont) 151 S. Y. Sung 3	
Won by 2 1/2 lengths; 3 lengths.	
Time, 2.06 sec.	
Win, \$8. Places, \$6.20, \$9.80, \$14.60.	
8-9 furlongs.	
Night Express (Sokoloff) 152 G. R. Botelho 1	
Happy Lad (R. H. McNair) 150 G. Neugebauer 2	
Ideal King (King) 150 P. F. Chey 3	
Won by many lengths; 2 lengths.	
Time, 2.22 sec.	
Win, \$20.20. Places, \$8.80, \$13.60, \$12.	

Exciting Match

Bowling	
O.	M. R. W.
H. Meston	15 3 47 1
T. Madar	9 0 39 1
L. Marcal	2 0 4 0
A. C. Cooper	8 1 20 2
A. Boisseree	2 0 9 1
A. F. Gomez	2 0 7 0
T. J. Aldaguer	2 0 16 0

SHANGHAI WANDERERS IN ENGLAND

SPECIAL TO THE "N.-C. HERALD"

Played four matches, won two, lost two. That is the record of the Shanghai Wanderers, a team composed of Shanghai, Hongkong, and Hankow cricketers, and others recruited to fill in gaps, in England this summer. It is of note that the tourists improved the more they played. They lost the first two matches and won the next two, the last of all being a particularly brilliant victory, an innings' defeat against a side which included several good players.

With the annual interport match against Hongkong now not many days ahead—it is to be played early in October—Shanghai cricketers will be particularly pleased to notice the form both with bat and ball of D. W. Leach, who hopes to be back in time for the Hongkong match. Leach not only performed very creditably in each match of the tour but also in a match between the M.C.C. and Cyphers. He scored 40 runs at a crucial moment materially helping win the match for the Cyphers.

Mr. C. Victor Syms, who left for England early this summer, and who gave up much of his spare time to umpiring cricket matches in Shanghai, acted as umpire for the tourists in two matches, against the Cyphers and Beasconsfield. Mr. A. W. Burkill watched both the Beasconsfield match and the one played at Rickmansworth.

The four matches played were as follows:

July 15 Shanghai Wanderers 125, Cyphers 127 for 8 (Lost).
July 16 Chinghoppers 264 for 7, etc., Shanghai Wanderers 99 (Lost).
July 18 Beasconsfield 110, Shanghai Wanderers 122 (Won).
July 20-21 R. Cornwall's XI 53 and 134, Shanghai Wanderers 205 (Won).

"Tam" Pearce, the Hongkong player, was only able to turn out on one occasion, against the Cyphers, when he made a beautifully played 48 on a difficult wicket.

The most exciting match of the tour was against Beasconsfield. The Shanghai Wanderers, batting in reply to Beasconsfield's total of 110, had scored 101 runs when the ninth wicket fell. H. J. M. Cook joined D. W. Leach and kept one end up whilst the necessary runs were obtained to the accompaniment of great encouragement from onlookers. Leach in this match scored 50 not out. Against R. Cornwall's XI he contributed a very useful 61, the highest score of the tour, and in the first and second matches scored 24 and 19 respectively.

Leach also did extremely well in bowling. His averages in order of matches played being 6 for 51, 5 for 63, 4 for 30, 3 for 13, and 1 for 37. T. W. R. Wilson, T. C. G. Pearson, and W. Mansel-Smith all bowled well at times and returned good figures.

LOCAL SWIMMING RECORD BROKEN

Don Smith Covers 880 Yards in 12 Min. 5 3/5 Sec.:
Rowing Club's Annual Gala

Confirming earlier good reports of his prowess, Don Smith, the 15-year-old American swimmer broke the record for the half mile free style Shanghai championship when he won the event at the Rowing Club gala on August 28 in 12 minutes 53 3/5 seconds. A. Logan finished second, thirty yards behind the winner, and also broke the old record, his time being 12 minutes 40 seconds. W. Reilly was third. More notable is this achievement in that the record for this distance has stood for ten years, J. R. Johnstone having set the old mark of 12 minutes 47 seconds in 1926.

Miss Wendy Donnelly retained her title for the 100 yards women's free style Shanghai Championship, which she won from Miss Audrey Hammond, Miss Agnes Dudley being third. The winner's time was 73 seconds which is a second better than that which she recorded last year, although Miss Jacqueline Ball's record of 71 seconds is yet to be equalled.

Miss Stephanie Brabner won the Club women's 50 yards free style championship from Miss Wendy Donnelly thereby reversing the result of the Shanghai Championship of the previous week, and Miss Audrey Hammond was third. Miss Brabner's time last night was 30 3/5 seconds which is considerably better than the 32 3/5 seconds recorded in the open championship this year.

The Foreign Y.M.C.A. "A" water polo team defeated the Rowing Club "A" by five goals to two in the last match of the season's league, and thereby placed the two Y.M.C.A. teams at the top of the standings, the "B's" taking first place and the "A's" second. The match was well contested, with the winners leading by two goals to one at the interval.

The outstanding event in the final night's swimming of the Rowing Club gala which was concluded on Aug. 28, was the 100 yards back stroke Shanghai Championship in which A. Logan narrowly defeated E. Smith to record 73 3/5 seconds for the distance. This time is only 4/5 of a second lower than the record which Noel Hammond established last year. C. C. Wang, a Chinese entry was third, five feet behind Smith.

T. Britton added to his season's laurels by winning the junior 220 yards free style championship from S. Starkovsky with V. Turenko third. Britton's time of 2 minutes 40 seconds was comparatively slow as M. Mitsushita established a record for the distance at the Cercle Sportif Francais gala two weeks ago in the time of 2 minutes 32 3/5 seconds.

Miss Patricia Smith regained the 50 yards women's breast stroke championship when she narrowly defeated Miss Vera Dodd by a touch, and recorded 41 3/5 seconds which is slower than the record of 39 4/5 seconds, jointly held by last night's winner and Miss E. L. Schmidt. Miss Eileen Dudley was third.

H. Farmer won the Club 100 yards free style championship after an exciting struggle with C. Smith, the winner coming up at the concluding half length and just beating Smith out of leading place. R. Prince was third. The time of 63 2/5 seconds was comparatively slow.

Water Polo Trial

The interport water polo team easily defeated the Rest of Shanghai by seven goals to nil in a trial match played at the conclusion of the gala. The winners led by five goals to nil at the conclusion of the first half, and gave evidence of being much the stronger side, giving a good exhibition of passing and combination.

After the events had been concluded, the prizes were presented by Mrs. J. J. Evans, who in turn was the recipient of a basket of flowers.

Detailed Results

Women's 100 Yards Free Style, Shanghai Championship.—1. Miss W. Donnelly, 2. Miss A. Hammond, 3. Miss A. Dudley, 73 sec.

Boys' 50 Yards Free Style, Club Championship.—1. G. Gallop, 2. R. W. Cheetham, 3. E. Fabian, 31 sec.

Men's Two Length Breast Stroke Final.—1. W. Vennewitz, 2. J. A. Cheetham, 61 sec.

Shanghai 880-yard Championship.—1. Don Smith, 2. Archie Logan, 3. Billy Reilly, 12 min. 53 sec. (new Shanghai record).

Women's 50 Yards Free Style Club Championship.—1. Miss S. Brabner, 2. Miss W. Donnelly, 3. Miss A. Hammond, 30 3/5 sec.

Men's Tub Race.—Finalists: B. Williams, R. Richards, B. Prince and L. M. Hansen.

Women's One Length Free Style Handicap.—1. Miss S. Brabner, 2. Miss W. Donnelly, 18 3/5 sec.

Mixed Relay.—Won by: B. Prince, H. A. Calder, J. C. Lander, A. Hulbert, Hultemeier, Y. J. Turner, P. Brewer, A. Abdirkin, Miss B. Brabner.

Interport side.—T. Britton, L. Oliveira, A. Gavriloff, B. Lambken, A. Logan, J. C. Lane, E. Smith.

EPIC LAWN BOWLS

Practically all play was suspended at the Shanghai Lawn Bowls Club for a while on August 27 whilst the members and a great crowd of guests revelled in the excitement of an epic match between the British Corporation Register of Shipping and Aircraft, represented by Messrs. Eric Davies and Wm. Lyle, and Lloyd's Register of Shipping, for whom Messrs. G. Pickering and R. Lockhart did service. In the end, the very handsome trophy presented by the Shanghai Bowlsmakers Union was handed over to the care of Mr. Davies, he and his partner having gained a great victory by 15-14. The rank and file of the Union were particularly enthusiastic over this match, their athletic achievements hitherto not having gone, far beyond golfing converse, but it is intended now to extend the Union's activities to cover all Olympic sports.

£1,000 Golf Tournament Won by Don Curtis

Brighton, Aug. 28. Don Curtis, of Bournemouth, to-day won the "News-Chronicle" £1,000 Golf tournament with an aggregate of 283. His scores for the rounds were 71, 70, 71 and 71. Rees, of Surbiton, and Burton, of Hooton, tied for second place with 284, followed by Lacey, of Berkshire, with 285, and Padgham and four others with 287.—Reuter.

RECS DEFEAT YANGTSEPOO

As a result of their defeat in Sunday's (Aug. 30) league match, by their club mates, the Blues, the Shanghai Lawn Bowls Club Reds lost their leadership of the league to the Blues and Blues who now tie for first place. In the four first division matches, the Reds beat the Yangtsepoow Bowling Club by seventy-nine shots to fifty-three; the S.L.B.C. Blues beat their club mates, the Reds, by eighty-one shots to fifty-three; the Police Lawn Bowls Club beat Club Lusitano by sixty shots to fifty-eight, and the Junior Golf Club beat the Hongkong Golf Club by sixty-one to forty-six shots. In the two second division matches, the Reds beat the Yangtsepoow Bowling Club by sixty-eight shots to fifty-seven, and the Police Lawn Bowls Club lost to the Club Lusitano by fifty-three shots to seventy-one.

The Reds got a little of their own back, when they defeated the Yangtsepoow Bowling Club in both their first and second division matches. In their first division match on the Y.B.C. green, they struffed the homesters by twenty-six shots and on two out of the three rinks. The team with one exception was the same that lost to Yangtsepoow in the Mercury Cup, but the latter fielded four substitutes. The Reds went right ahead from the start, holding the lead easily to the end never looked in danger from their opponents, who failed to reproduce their Mercury Cup form. J. E. Harvey's rink was the only successful one for Yangtsepoow, beating V. O. Madar's four by three shots. Harvey again playing a great forcing game. At the 5th end the Reds led by 24-13, at the 10th by 43-23, at the 15th by 58-40, and ran out easy winners by 79-53.

M. C. C. ELEVEN FOR AUSTRALIA

R. E. S. Wyatt, of Warwickshire, former captain of English Test teams, was selected to-day to complete the M.C.C. side which will tour Australia this winter in quest of the "Ashes". The full team is:

G. O. Allen (Middlesex) (captain)
R. W. V. Robins (Middlesex)
Kenneth Farnes (Essex)
R. E. S. Wyatt (Warwickshire)
Hammond (Gloucestershire)
Layland (Yorkshire)
Verity (Yorkshire)
Duckworth (Lancashire)
Vose (Nottinghamshire)
Fisher (Surrey)
Hardstaff (Nottinghamshire)
Worthington (Derbyshire)
Fagg (Kent)
Copson (Derbyshire)
Sims (Middlesex)
Barnett (Gloucestershire)—Reuter.

BASEBALL PLAYER REINSTATED

Boston, Aug. 25. Wesley Ferrell, pitcher of the Boston Red Sox, who was suspended from the team and fined \$1,000 last Saturday for walking out of a game with the Yankees, was reinstated today after a conference with Joe Cronin, Manager of the Red Sox, and Eddie Collins, Director of the Association of Professional Baseball Players of America. The \$1,000 fine, however, was not lifted.—United Press.

GOLF MATCHES

The semi-finals of the Association Pairs Championship, played on the former Junior Golf Club green on August 29, resulted in C. W. Glover and H. Wallace, S.L.B.C. beating C. F. Remedios and C. M. Sequeira, H.C.C. by eighteen shots to fifteen, securing an easy win over A. Cheetham and J. Colquhoun, Y.B.C. by twenty-nine shots to sixteen. The green was tricky and heavy and the showers that fell during the games, whilst not enough to stop play, did not improve matters. The winners will meet in the final on a date and green to be decided upon later.

Glover-Wallace v. Remedios-Sequeira				ends			
—	1	2	2	—	1	12	—
—	2	2	—	—	2	4	15
—	2	4	3	—	2	15	14
—	4	4	2	—	4	15	6
—	4	7	1	5	—	1	16
—	1	5	6	—	10	17	3
—	1	6	7	—	5	16	13
—	1	7	8	—	5	2	18
—	7	9	1	6	—	18	20
—	1	10	—	—	—	18	21
—	3	11	—	6	—	18	21

Manley-Willis v. Cheetham-Colquhoun				ends			
—	1	1	—	—	5	11	12
—	1	2	—	—	2	4	15
—	1	3	—	—	2	1	14
—	2	4	3	5	4	20	15
—	2	5	1	6	1	21	16
—	2	6	1	7	—	21	17
—	2	7	1	8	—	25	18
—	2	8	—	—	25	19	13
—	4	9	3	11	4	29	20
—	2	6	10	—	11	29	21
—	6	11	—	12	—	29	21

LADIES TENNIS LEAGUE

The Cercle Sportif Francais on Aug. 25 won the championship of the second division of the Ladies Tennis League by defeating the Swiss Club by six sets to two in the play-off at the Race Course.

C.S.F. 6, SWISS CLUB 2
Mrs. Arnold Jones and Mrs. Stokes defeated Mrs. Baer and Miss Horsky 7-5, 12-10; Mme. Caplain de Prisque and Mrs. Flood defeated Mrs. Leslie and Miss Stadtmann 4-6, 6-0, 6-3; Mrs. Knott and Mrs. Pottinger defeated Mrs. Walkinshaw and Mrs. Train 6-0, 6-1, 4-6.

Gimcrack Stakes Won by Goya II

LONDON, Aug. 27. The Gimcrack Stakes, run at York this afternoon over a distance of six furlongs, resulted as follows:—
M. M. Boussa's Goya II 1
Sir J. Jarvis' Gainsborough Lass 2
Sir L. Parkinson's Merry Mathew 3
Fifteen ran. Won by a head; a neck.
The starting prices were 6-1, 7-1, 5-2.—Reuter.

JAPANESE TENNIS CLUB WIN AGAINST C. S. F.

By defeating the Cercle Sportif Francais, in the second division of the Shanghai Lawn Tennis League, the Japanese Tennis Club are almost certain to end at the top of the championship table. In the last series of matches the Cercle Sportif Francais pulled up by overwhelming the German Garden Club by twelve sets to three. They were defeated, on Aug. 29 on their own courts by ten sets to five. Ewing and Drizdill lost two sets to one; Johnson and Robinson lost two sets to one; Mary and Bloom lost three sets to nil; Flood and Loomis lost two sets to one; and Sharfer and Sandor, who were the only successful pair for the C.S.F., won by two sets to one. The final score was ten sets to five in favour of the J.T.C.

CANADIANS ACHIEVE THEIR DESIRE

London, Aug. 26. There were some very long faces at Lord's when the Canadians fulfilled their hearts' desires and beat the M.C.C. by 70 runs. They began by scoring 171 runs, and then, when the M.C.C. batted, it did not take one long to realise that the nice things one heard about their bowling and fielding were abundantly justified.

In the attack of Seagram, Scott, Carlton and Loney there was purpose and challenging thrust, and the critic was not far wrong who said that he had not seen better since the 1921 Australians.

It was ironical that an M.C.C. team which included Fender, Aird and MacDryan should be so thoroughly subdued by those whom, it is presumed, had come to learn. The M.C.C. was a well-beaten side, for had not stumps been drawn at 6 o'clock, the Canadian Captain would have been able to enforce the follow-on under the laws governing a one day match.—Reuter.

HARBOUR YACHT RACES

Shanghai, Aug. 25. W. D. Neil made a good start in the first race of the new Tuesday harbour series when he brought Viking in well ahead of the remainder of the fleet to take first position without recourse to handicap allowances. Ingomar finished second, but had to concede position on allowances to Spook and Nance was placed fourth on corrected times.

Six boats turned out for the race, but Ella lost her bowsprit and had to drop out. Viking got a windward start and with this advantage soon worked herself into a commanding position so that she was never threatened, and Neil brought her in three minutes before Ingomar. Times were:—

Elapsed Handicap	
Viking (W. D. Neil)	53.45
Spook (H. R. O. Edmonds)	1.00.09
Nance (H. Costenoble)	1.05.50
Ingomar (J. A. McGregor)	57.20
Mignon (J. Dalton)	1.07.23

"C" Class Race

Aug. 26. Although the typhoon ball was hoisted at noon on Wednesday yachtsmen were not deterred and turned out a strong muster for the "C" class harbour race held at Minghong, and some excitement was witnessed for the first time for several weeks. After a struggle at the earlier mark, Sun Lee sailed by K. F. Piper eventually went into a lead and remained first to cross the finishing line ahead of Polaris sailed by J. Neil White Bridget (J. C. Boldero) was third.

Points in Elapsed series	
Sun Lee (K. F. Piper)	20.40
Polaris (J. Neil)	31.05
Bridget (J. C. Boldero)	31.29
Lady Anne (J. D. Riddell)	33.63
Shimurli (N. J. Stubb)	33.19
Leda (W. Hamilton)	34.66
Star of Eve (R. V. McDonald)	34.40
Orion (C. E. Howard)	34.50
Mignette (R. L. Evans), Catharine (J. H. Ford) retired.	

Aug. 27. Ella sailed by Dr. J. H. Blacklock won Thursday's harbour race for "A" class yachts by finishing up very close on Viking and thereby ousting W. D. Neil from leading position on handicap times. Nance, with J. Dalton at the tiller, finished last, but saved her time on handicaps, and took second place on corrected times, with Viking third.

Elapsed Handicap	
Ella (Dr. J. H. Blacklock)	49.40
Nance (J. Dalton)	54.05
Viking (W. D. Neil)	47.20
Spook (F. Ikin)	52.30

BASEBALL IN AMERICA

Major Leagues			
New York, Aug. 30.			
NATIONAL LEAGUE			
	Won	Lost	Pct.
New York	77	47	.621
St. Louis	73	53	.587
Chicago	73	53	.579
Pittsburgh	66	61	.520
Cincinnati	60	65	.480
Boston	58	67	.464
Brooklyn	52	74	.412
Philadelphia	42	82	.339
AMERICAN LEAGUE			
	Won	Lost	Pct.
New York	85	42	.669
Cleveland	69	58	.543
Chicago	67	60	.528
Detroit	68	62	.523
Washington	62	52	.542
Boston	64	65	.496
Philadelphia	47	81	.367
St. Louis	40	81	.362

Pacific Coast League			
San Francisco, Aug. 30.			
	Won	Lost	Pct.
Portland	86	72	.544
San Diego	85	74	.535
Seattle	84	73	.533
Missions	81	76	.516
Oakland	82	77	.518
San Francisco	77	81	.487
Los Angeles	76	82	.481
Sacramento	62	96	.392

ESCOBAR DEFEATED BY QUINTANA

New York, Aug. 27. Sixto Escobar, of Porto Rico, the world's bantamweight champion, was decisively defeated at the Queensboro Stadium in a ten-round overweight fight with Italian Quintana, the bantamweight champion of Central America. Quintana carried the fight to his opponent from the second round to the finish. After a slow start, he lashed out in the second and opened a cut over his left eye which gave trouble throughout the fight. Quintana's left eye was also bleeding in the third round from a hard right that Escobar landed in his face. The decision of the judges in Quintana's favour was unanimous. Escobar weighed 121 lb. and Quintana 119 1/2 lb. Escobar's title was not at stake.—Reuter.

AMERICAN TROOP WIN HOYT CUP

Giving an excellent display of high standard polo the American Troop defeated the Light Horse by nine goals to six in a thrilling and hard fought match at the Race Course on Aug. 29, to retain the Hoyt Cup for the eighth year in succession. It was difficult to predict the winners until the last chukker when R. N. Harris scored two goals in rapid succession to give the Troopers a comfortable lead of three goals which they maintained till the end.

Both sides were in great form and it was a terrific struggle all through the game, and it was thought at one time that the Light Horse would be the winners. They were only one goal behind in the fifth chukker, but when Harris scored the two goals in the sixth they were doomed. On the losing side E. H. Browne was probably the best player of the day scoring two goals for his side with lovely footland drives. Many more goals would have been scored by the Troopers were it not for him coming to the rescue and clearing the time and again.

L. A. Lewis was in the picture on several occasions. He scored three goals for his side and it should not be long before his handicap is raised to three. Dick Harris was the highest scorer for his side, shooting four goals and added to this was N. F. Allman's three, C. S. Franklin's one and H. D. Rodger's one.

The sixth chukker proved to be the most thrilling. Allman muffed a pass from Harris, but Harris made up for this error by scoring by himself from the hit in, and followed this up to score from the throw in by tapping the ball gently along and ridding his man at the same time. The final score was nine goals to six. The Cup was presented by Mrs. C. S. Franklin, Brig-Gen. E. B. Macnaghten first gave a short address.

Teams were:—
Light Horse—L. A. Lewis, R. A. White, R. R. Parr and E. H. Browne. Reserve: R. Gordon.
American Troop—N. F. Allman, C. S. Franklin, R. N. Harris and H. D. Rodger.

HOYT CUP RETAINED BY AMERICAN TROOP

"N.-C. Herald" Photos.



An attempt to ride off is shown in the top photograph. H. D. Rodger is about to play a backhand. Excellent riding off by both sides was a feature of the match which was won by the American Troop nine goals to six, the result being in doubt right up to the final chukker. Bottom left the winning team. From left to right, N. F. Allman, C. S. Franklin, R. N. Harris and H. D. Rodger. Bottom right, C. S. Franklin, receiving from the hands of his wife, who presented the prizes, the Hoyt Cup and a silver miniature, Brig-Gen. E. B. Macnaghten is in the centre.

JAPANESE SWIMMERS TRIUMPH AGAIN

London, Aug. 29.

The Japanese Olympic swimming team gained another victory at Wembley to-day in an international contest against the Empire Swimming Club, winning four of the six events. The 100 metres free style was won by Arai in the time of 58.2 seconds, Tsurioka finishing second and Miyazaki third.

Sugiura won the 200 metres free style in the time of 2 minutes 15.6 seconds, Shima finishing second. The 400 metres free style was won by Uto in the time of 4 minutes, 53.3 seconds, Negami and Makino finishing second and third.

Empire Club's Two Wins

The Empire Swimming Club registered its first win in the 200 (4 x 50 metres sprint relay, Young, French-Williams, Gabrielson and Dove defeating Sugiura, Shima, Tsuroka and Miyazaki in the time of 1 minute and 50 seconds. The Japanese finished in the time of 1 minute, 51.2 seconds.

The Japanese won the 300 metres medley relay, Koike, Arai and Yojima covering the distance in 3 minutes, 22.8 seconds, beating the Empire Swimming Club's team composed of Davies, Besford and Gabrielson, whose time was 3 minutes, 39.2 seconds.

The Britons won their second event in the water polo match defeating the Japanese four goals to one. Mitchell scored three goals for the winners, Sutton adding the fourth. Takahashi scored the only goal for the Japanese.—Reuter.

KHO SIN-KIE IN EUROPE

Lucerne, Aug. 28.

Kho Sin-kie, the Chinese national champion and member of China's Davis Cup team, turned in the best performance of his long European tour to-day by defeating G. P. Hughes, the British Davis Cup player, in the semi-final of the international tournament here. The Chinese won by 4-6, 8-6, 6-4 after a close battle crammed with excitement.—Reuter.

Doubles Victory

Lucerne, Aug. 29.

Kho Sin-kie, the Chinese national champion and member of China's Davis Cup team, and Giorgio de Stefani, of Italy, to-day won the doubles championship of the men's international tournament here. The Sino-Italian pair defeated the British team of D. W. Butler and G. P. Hughes in the final after a hard struggle, the match going to five sets. The score was 6-3, 4-6, 6-4, 3-6, 6-2.—Reuter.

BARNETT'S BRILLIANT PERFORMANCE

London, Aug. 27.

Gloucester required only two days to defeat Essex in their County Championship fixture at Clacton, winning by 153 runs, thanks to brilliant bowling and batting by Barnett. Gloucester, batting first, scored 146 runs, Nichols taking 7 wickets for 50 runs. Essex responded with 171 runs, Goddard capturing eight wickets for 64.

Gloucester scored 299 in their innings, of which Barnett contributed 117, while, with Barnett capturing six wickets for only 17 runs, Essex scored only 121 runs in their second innings.—Reuter.

British Boys' Amateur Golf Championship

SPECIAL TO THE "N.-C. HERALD"

Southport, Aug. 29.

An amazing performance was turned in to-day by James Bruen, 15-year-old Irish boy of Cork, in defeating William Innes, of Scotland, by 11 and 9 in the 72 hole final of the British boys' amateur golf championship. Bruen was seven up at the end of the first round in which he returned a card of 73 despite a six at the tenth hole where he picked up from an unplayable lie. He went out in 35, three better than scratch.—Reuter.

LEE WAI-TONG RECEIVES TEMPTING OFFER

Geneva, Aug. 25.

Despatches from Paris state that Lee Wai-tong, captain of the Chinese Olympic Football team, has turned down an attractive offer to turn professional by joining the Red Star Club of Paris. Lee's performance during a recent match against the Red Stars which resulted in a draw so impressed the manager of the Club, it is stated, that he was offered to stay in France to join their team at a monthly salary of 2,500 francs. A lump sum of 25,000 francs was also offered him upon signing the contract. Lee, however, courteously declined the offer as he intends to give up football shortly.—Central News.

GLOUCESTER CRICKETER'S NEW APPOINTMENT

London, Aug. 26.

Reg. Sinfield, the Gloucester all-round cricketer, has received an invitation from the Western Province to go out to Capetown as coach during the winter. Dacre, who played over 300 innings for Gloucestershire and scored over 7,000 runs, has been released by the county and will return to New Zealand.—Reuter.

HOME SOCCER RESULTS

London, Aug. 29.

ENGLISH LEAGUE, 1ST DIVISION

Arsenal 3, Everton 2
Birmingham 2, Portsmouth 1
Brentford 2, Bolton Wanderers 2
Grimsby Town 0, Charlton Ath. 1
Leeds United 2, Chelsea 3
Liverpool 2, Stoke City 1
Manchester United 1, Wolverhampton W. 1
Middlebrough 2, Manchester City 0
Preston Nth. End 1, Huddersfield T. 1
Sheffield Wednesday 2, Sunderland 0
West Bromwich A. 1, Derby County 3

2ND DIVISION

Bradford 2, Bradford City 1
Burnley 2, Nottingham Forest 0
Bury 1, Blackburn Rovers 1
Doncaster Rovers 1, Coventry City 1
Fulham 2, Plymouth Argyle 2
Leicester City 1, Blackpool 2
Newcastle United 0, Barnsley 1
Norwich City 1, Sheffield United 1
Southampton 3, Chesterfield 2
Swansea Town 1, Aston Villa 2
West Ham United 2, Tottenham H. 1

3RD DIVISION (South)

Aldershot 1, Bescorbe 3
Bristol City 3, Queen's Park R. 2
Clapton Orient 1, Crystal Palace 1
Gillingham 1, Brighton and Hove 0
Luton Town 1, Southend United 0
Millwall 1, Bristol Rovers 2
Swindon Town 2, Northampton T. 0
Torquay United 2, Reading 2
Walsall 1, Cardiff City 0
Newport 1, Watford 3
Notts County 3, Exeter 1

3RD DIVISION (North)

Accrington Stanley 1, Lincoln City 2
Chester 4, Wrexham 1
Crewe Alexandra 2, Rochdale 2
Halifax Town 1, York City 2
Mansfield Town 2, Barrow 1
Oldham Ath. 3, New Brighton 1
Port Vale 1, Hull City 3
Tottenham United 3, Gateshead 0
Southport 1, Hartlepool United 1
Stockport County 3, Darlington 3
Tranmere Rovers 5, Carlisle United 1

SCOTTISH LEAGUE, 1ST DIVISION

Aberdeen 4, Falkirk 0
Albion Rovers 1, Celtic 3
Clyde 1, Dundee 2
Hamilton Academical 1, Arbroath 4
Hearts 2, St. Mirren 1
Kilmarnock 1, Partick Thistle 0
Queen of South 1, Third Lanark 0
Queen's Park 0, Dunfermline Ath. 2
Rangers 4, Hibernian 0
St. Johnstone 1, Motherwell 3

—Reuter.

LOCAL BASEBALL LEAGUE GAMES ENDED

By defeating the First Battalion of the Fourth U.S. Marines by 7-6 on August 26 at the Race Course, the Shanghai Amateurs rose into a tie with their opponents for second place in the final standings of the City baseball league.

Final Standings

	W.	L.
2nd Battalion	6	0
1st Battalion	3	3
Amateurs	3	3
Chinese	0	6

33 ATHLETIC MARKS RECOGNIZED

Berlin, Aug. 28.

The International Athletic Federation, have approved 33 men's track and field performances, which either equalled or broke existing world records. A number of the new records were established during the Berlin Olympic Games.

Of the 33 new records, 20 went to American athletes, Jesse Owens leading the parade with five new world marks and one record which equalled the world standard.

The records accepted for Owens included his 20.3 race for both 220 yards and 200 metres made during the

County Cricketer Killed in Serious Accident

London, Aug. 28.

R. P. Northway, the Northampton county cricketer, was killed, while A. H. Bakewell, Northampton's famous bat, was critically injured, in a motor accident early this morning. The accident occurred while the two were returning from Chesterfield at the conclusion of the fixture between Northampton and Derbyshire. As their car was taking a sharp turn near Kibworth, Leicestershire, it left the road. Northway was killed instantly, while Bakewell was taken to the Leicester infirmary where his condition was pronounced critical.—Reuter.

Big Ten championships in 1935; 22.6 for 200 yards and 200-metres low hurdles made during the same tournament and his 26 feet 8 1/4 inch broad jump.

Other world records which went to Americans were: Archie Williams, 46.1 for 400 metres; Forrest Towns, 14.1 for both 120 yards and 110-metre high hurdles; Glenn Morris, 7,900 points for the decathlon scored during the Olympics; America's 400 metre relay team's two mile run made during the Princeton Invitation track meet; George Varoff's 14 feet 6 1/2 inch pole vault made in the American A.A.U. games at Princeton; and Cornelius Johnson and Dave Albritton's six feet, 9 1/2 inches high jump.

The Federation also accepted all world records established during the Eleventh Olympiad which totalled 12. The organization also voted to henceforth supervise international women's track and field competition. It was unanimously agreed that all women athletes must submit to competent medical examinations should any protest regarding their sex be made formally within two hours after the conclusion of any event.—United Press.

DERBYSHIRE CERTAIN OF COUNTY CHAMPIONSHIP

London, Aug. 25.

By taking first innings points from Northants, Derbyshire to-day made certain of the County Championship, as Yorkshire, their closest rivals, dropped first innings points to Surrey. This is the second time in the history of the county that championship honours have been won by Derby, the first time being in 1874.

Derbyshire and Yorkshire each have two more matches to play, but even if the leaders lose both their fixtures and Yorkshire wins both theirs, Derby will still head the tables with 53.33 points against Yorkshire's 52.67 points. But there is also a possibility of Yorkshire losing second place to either Middlesex, Notts or both.

At Eastbourne—Gloucester beat Sussex by an innings and 10 runs.

Sussex 439 (John Langridge 156, Harry Parris 100 not out) and 131 (Hammond five for 27).

Gloucester 586 (Neale 108, Crapp 108).

At Clacton—Essex beat Notts by 34 runs.

Essex 300 (O'Connor 111, Wilcox 81) and 216.

Notts 286 (Hardstaff 103, Farnes six for 73) and 196 (Hardstaff 70).

At Chesterfield—Derby gained first innings points against Northants.

Northants 14 (Copson 4 for 24, A. Pope 4 for 58) and 411 for 6, declared (Bakewell 241 not out, A. Pope 6 for 129).

Derby 209 (Partridge 5 for 69) and 173 for 7.

At Leicester—Glamorgan gained first innings against Leicester.

Leicester 210 (Hughes 5 for 70) and 261 for 8, declared (Packe 118).

Glamorgan 225 (Dyson 80) and 128 for 4.

At The Oval—Surrey gained first innings points against Yorkshire.

Yorkshire 315 (Leyland 107) and 157 for 4.

Surrey 495 (E. R. T. Holmes 172).

At Manchester—Warwick beat Lancashire by 118 runs.

Warwick 209 (Hopwood 4 for 37) and 255.

Lancashire 199 (Palme 6 for 66) and 147 (Palme 6 for 44, Hollies 4 for 44).

At Kidderminster—Somerset beat Worcester by 97 runs.

Somerset 401 (N. S. Mitchell-Innes 182) and 110 (Howarth seven for 58).

Worcester 314 and 100 (Wellard five for 43, Hazell five for 43).

At Bournemouth—All-India beat Hampshire by two runs.

All-India 192 (V. M. Merchant 76, Kennedy four for 29) and 199 (Hayan 86 for 59).

Hampshire 238 (C. S. Nayudu five for 91) and 151.

London, Aug. 28.

The defeat of the new Champions, Derbyshire, by Somerset by one wicket, and the overwhelming victory of Kent over All-India who succumbed by an innings and 202 runs, were the outstanding features of the first-class cricket matches concluded to-day.

At Canterbury—Kent beat the Indians by an innings and 202 runs.

Indians 173 and 148 (Woolley four for 22).

Kent 523 (Fagg 172, Ames 145, Ashdown 117).

At Manchester—Lancashire beat Leicester by an innings and one run.

Leicester 292 (C. S. Dempster 137, Pollard six for 42) and 139.

Lancashire 422 for eight declared (Idson 118, Paynter 89).

At Worcester—Middlesex beat Worcester 255 runs.

Middlesex 396 and 213.

Worcester 185 and 171 (Slims five for 72).

At Wells—Somerset beat Derbyshire by one wicket.

Derby 216 (Dennis Smith 53, Andrews five for 42) and 200 (Wellard five for 47).

Somerset 146 (Pope (A. V.) five for 55) and 274 for nine (Wellard 80, Copson six for 81).

At Hove—Yorkshire gained first innings points against Sussex.

Sussex 225 and 207 for seven declared (A. Melville 90, Turner five for 59).

Yorkshire 328 (Hutton 83) and 71 without loss.

At Bournemouth—Surrey gained first innings points against Hampshire.

Surrey 423 for nine declared (Gregory 161, Sandham 89, Watts 116 not out) and 227 for five declared.

Hampshire 310 (R. H. Moore 100) and 174 for one (C. S. A. Paris 83 not out).

At Cardiff—Notts gained first innings points against Glamorgan.

Notts 364 (Keeton 76, Harris 75) and 227 for seven declared.

Glamorgan 274 and 112 for one (Dal Davies 77 not out).

Championship Table

	1st				Inn. No	
	P. W. L.	W. L. R.	P. O.	Pct.		
Derbyshire	27	12	4	5	1405	224
Middlesex	25	9	8	3	1375	188
Yorkshire	29	9	12	4	2435	315
Notts	27	8	9	8	4045	189
Surrey	29	6	8	6	2435	191
Essex	25	8	7	5	3735	150
Somerset	27	9	10	2	2375	150
Gloucester	29	7	4	8	4353	183
Kent	28	9	4	5	1420	174
Hampshire	29	7	4	9	4357	177
Lancashire	29	7	6	5	5435	170
Warwick	29	6	4	7	4405	158
Worcester	24	4	8	7	3360	103
Sussex	30	4	10	7	3400	128
Leicester	23	2	4	8	1345	95
Glamorgan	28	1	12	6	2390	68
Northants	24	0	9	5	1360	53

—Reut.

—Reuter.

SHANGHAI LAW REPORTS

H. M. POLICE COURT

Barber's Demonstration

S.M.P. D. SADU SINGH
COUNSEL: Mr. F. G. Livingstone, for
prosecution.

Before Mr. C. H. Haines, Registrar
(Defendant Fined)

"Sadu Singh, do you drink?" asked Mr. C. H. Haines, Registrar, in H. M. Police Court on August 24.

"Yes Sir, a little," replied defendant.

"Well, you had better stop drinking," said the Registrar.

"Very well, your lordship," said Sadu Singh meekly.

Sadu Singh, at the opening of the case, pleaded not guilty to a charge that he on "August 23rd, 1936, at Shanghai, wilfully committed damage to a wooden box and plate glass window and did injury thereto to the amount of \$6, contrary to Section 14 of the Criminal Justice Administration Act of 1914." He had no counsel. Although the case was a small one, it was apparently one of some interest, the court-room being filled with a foreign detective sub-inspector, two foreign sergeants, four Sikh police constables, a Chinese interpreter, an Indian interpreter, two Chinese witnesses, and a handful of spectators.

Presenting the case for the prosecution, Mr. Livingstone said that at 5.40 p.m. on Aug. 23, the accused, with another Indian, went to complainant's shop; the complainant was a barber at 210 Minghong Road. They were apparently visiting an Indian who lived over the shop. The barber, however, had received instructions that nobody was to visit this Indian, the reason being that he had actually received threatening letters and was scared of seeing anyone.

"T truculent and Disorderly"

The two Indians, truculent and disorderly, went up-stairs, despite the protests of the barber, who sent an assistant to the police station. The police, fearing some more trouble similar to that in Miller Road not long ago, came at once. Meanwhile, the accused and the other Indian came downstairs again. The barber saw him stamp on a wooden box of his, and, scared, walked out of the shop. A moment later, he heard the sound of breaking glass. The police then arrived, and arrested the two Indians, releasing the other later.

After the barber's assistant had testified to calling the police, Hsu Hoong-ying, the barber, was called. A dapper little man in black, he bowed respectfully to the Registrar, to Mr. Livingstone, and the press. Noticing that he crossed himself frequently as he took the oath, Mr. Livingstone, through the interpreter, asked him his religion. "Catholic," came the reply.

His evidence was similar to that outlined by Mr. Livingstone. Asked to illustrate the damage done to the box, which meanwhile had been brought into court, he turned around, and before anyone could stop him, had lifted his right leg and dealt the top of it—already somewhat split—a telling blow. The split spread right across the top. He then said the Indian abused him in Chinese. Asked what he meant by this, witness gave few extracts, vividly. The interpreter, however, said: "He abused me in Chinese language." He agreed with Mr. Livingstone and the police officers that it was "very foul."

Mr. Haines:—How much will it cost to mend the box?

Witness:—About one dollar. I bought it for \$3 last year.

Very cheap that wood, I should think. Seventy-five cents should cover it?—I don't know.

How much will the window cost to be repaired?—I don't know. The glass was not bought by me. It is three feet by four feet.

Mr. Haines:—How much does glass cost?

Mr. Livingstone (to whom the question was addressed):—I regret, your honour, I've never had a barber shop!

About \$3?—I imagine that that would be a fair price.

Partially Disrobed

Sub-Inspector H. G. Briggs, on duty in Hongkew Station, said the accused was brought in to the station about 6 p.m. He seemed "to be under the influence." The accused behaved in a very disorderly manner. He was put in a cell, and when his money and his belt were taken away from him, "he took his trousers off and threw them out of the cell."

Accused was examined by a doctor, and pronounced not to be under the influence. He was later taken out to have a drink of water, when according to the station interpreter, he said he would "fix us later with a bomb." Witness said that this did not

worry anyone attached to Hongkew Station, but he merely mentioned it as an indication of the accused's attitude at the time.

Sadu Singh elected to give his evidence from the dock. At about 5 p.m. on August 23, he said, an Indian asked him to show him where "No. 44" was staying. "No. 44," said the interpreter in parenthesis, was actually Nan Singh, who was formerly Warder No. 44.

They went to the barber shop, and the police later arrived and arrested them both. He complained of two things: firstly, that the interpreter at the station deliberately mistranslated what he said to the foreign sergeant, and secondly, at his being kept in custody while the other man was released. He concluded:—"If I damaged the box, I will pay for the cost of repairing it."

As it was a first offence, said the Registrar, he would not impose a sentence of imprisonment, although he warned Sadu Singh that a repetition would mean gaol, without the option of a fine. This time, however, he would fine him £2 together with an order for him to pay the barber \$4 for the damage to his property.

Indian Accused of Assault

S.M.P. D. NANA SINGH
COUNSEL: Mr. F. G. Livingstone for
prosecution.

Before Mr. C. H. Haines, Registrar
(Adjournment Ordered)

A case brought against an Indian for alleged assault by gouging out the eye of another Indian opened before Mr. C. H. Haines in H.M. Police Court on Aug. 26, when the Shanghai Municipal Police, represented by Mr. F. G. Livingstone, brought an action against Nana Singh. The complainant in the case was Shafr Singh. The charge was that defendant assaulted complainant on August 25 at Shanghai, causing him to say, "He was then detained in custody at the station. At 4.30 p.m. the charge was read out to the accused, who again said that he had no statement to make."

Mr. Livingstone said that accused was unemployed, and was living at the Gurdwara. The prosecution hoped to prove that he committed the assault by pushing his thumb into the complainant's eye, and turning it round. Mr. Livingstone applied for a remand in custody.

An application for bail was made by the defendant, and was granted by the Registrar on a personal recognizance of \$100, and two sureties of \$300 each. The case was adjourned until Tuesday, September 1.

Sikh Riot in Hongkew

S.M.P. D. SURJAN SINGH, KUNDA SINGH, KISHAN SINGH, AMAR SINGH, JHANDA SINGH, CHANAN SINGH, BUKKEN SINGH, SUBA SINGH, ATMA SINGH, MOTA SINGH, LACIMAN SINGH, NATIA SINGH, KARTAR SINGH, MUNDA SINGH, AND BELA SINGH.

COUNSEL: Mr. F. G. Livingstone for Prosecution; Mr. Morris Diamond for all Defendants except Lachman Singh, Kartar Singh, and Munda Singh, represented by Mr. H. A. Reeks.

Before Mr. C. H. Haines, Registrar
(Judgment Reserved)

The case brought by the S.M.C. against 15 Indians who are alleged to have taken part in an assault and affray in Miller Road on the afternoon of July 12 was continued before Mr. C. H. Haines, Registrar, in H.M. Police Court on Aug. 26. Evidence was given by Mundar Singh, one of the accused, who described himself as assistant manager of Hari Singh's shop in Miller Road.

He arrived at the New Sikh Store shortly after three o'clock on the afternoon of the occurrence, and was waiting to receive customers when he heard a voice outside shouting "I have been struck" and "I have been killed." He heard further cries, and came out of the back door of the shop, whereupon, after blowing his whistle, he was attacked by five or six Indians. Many others were also present, he stated.

Sacred pudding, handed by the priest to worshippers in the Gurdwara, figured in the hearing on August 27.

"Is it not true that sacred pudding is handed out by the priest at your services?" Mr. Morris Diamond, asked a witness.

"Yes," was the reply,

"Then why did you not go into the temple and take some sacred pudding, instead of just bowing?" demanded Mr. Diamond.

"There are many men who do not have sacred pudding," answered the witness.

Mr. Diamond:—Does the taking of sacred pudding mean anything to you?

Mr. Reeks, (representing the witness):—I object to this very oppressive cross-examination. My client does not rise to the intricacies of my learned friend's cross-examination.

Mr. Haines:—The witness does not look brow-beaten, I must say.

The witness, Bakhtawar Singh, was the last called for the defence, and testified that on July 12 he was in the Gurdwara, where he resided, when the Mahaja party of the Sikh community were holding a meeting "for fighting." This meeting was held in the service hall, and members of the Doaba Party were also allowed to attend. Witness stated that he saw Indar Singh, one of the defendants, draw a line on the floor, and then one of the Indians named Hazara Singh, and the Granthi, Dalip Singh, said to the others "Do not worry. If anybody loses their job, or gets any damage, they will be repaid."

40 Men Willing to Die

Indar Singh then requested those who were willing to die to cross the line, and about 40-45 men did so. Afterwards, the party mentioned themselves in front of a shop close to the Gurdwara, and drank wine and soda. They then took up sticks, and departed in two lorries in the direction of North Szechuen Road. Witness identified seven of those who were among the men he saw on July 12.

Mr. Diamond, (in cross-examination):—Do you practice your religion?—I cannot strictly follow my religion. I try to follow it, but I cannot.

Do you visit the Gurdwara to worship on a Sunday?—Yes, I go there.

Witness stated that he did not go there on this Sunday because he had some business to do. On being asked the nature of this business, he replied that he remained in his house all day, and in the evening he had to go for a walk. He later stated that he did go to the Gurdwara, but did not join in the service, as he could hear the address from his room in the building. He looked down on the service through the window in front of the granthi's room. Asked why he did not join in the prayers on the Sunday in question, he replied that he was already inside the Gurdwara and could bow as many times as he liked.

Summing up on Aug. 28, Mr. Diamond said that he wished to refer to the fact that a large number of witnesses in the case were probably accomplices. Unless their evidence was corroborated by the evidence of independent witnesses, it was not sufficiently well-founded to be relied upon. With regard to Mr. Reeks' clients, their evidence was open to very grave suspicion. By the nature of their defence, they were bound to give evidence against his own clients.

There were a number of witnesses who said that they had seen all of his clients at the scene of the affray. They could not, however, say where the individual men were standing. The evidence of Hari Singh, cited as managing director of the New Sikh Store, was absolutely unreliable. According to his story, he was upstairs, and was frightened by the disturbance. In spite of this, he ran out onto the verandah of the building, in full view of the rioters. Being the managing director of the shop, he was standing at the door like Horatius holding the fort.

Mr. Livingstone: Bridge, if you please.

With regard to Amar Singh, one of the defendants, Mr. Diamond said that witnesses in the case had chosen a man who was already "down" and had tried to "down" him still further in order that the court might believe their story. It was extremely difficult in a case of this sort, concluded Mr. Diamond, where so many lies were told, to ascertain what was the truth. There might be doubt surrounding some of his clients who were innocent.

Mr. Reeks said that there were certain facts that stood out incontestably in this case. Two lorries went to the Gurdwara, picked up some Indians, and took them to Miller Road. Those who were assaulted called for aid, whistles were blown and the police arrived very shortly afterwards. Those who were there when the police arrived belonged to one party only, the Sursingh party, while others were found wounded in the street. The only evidence to the contrary was that of the Japanese police constable, and his story was absolutely unbelievable.

Every Indian arrested subsequently belonged to a party other than the Sursingh party, which was an extraordinary co-incidence. It was the old story of the "last hen across the road," said Mr. Reeks, and the assail-

ants got Santa Singh and Kartar Singh. They came near to taking the lives of these two men. Everything pointed to the fact that the Indians had gone deliberately to attack the Sursinghs.

Judgment in the case will appear in the "N.-C. Herald" next week.

KIANGSU 3rd HIGH COURT

Hire Car Company Owner Acquitted

For four years held in a court detention house, Cheng Shih-fang, 36-year-old proprietor of a motor car hire service in Avenue Edward VII, was acquitted by the Third Kiangsu High Court on Aug. 29 of charges of armed kidnapping. During the period of appeal, the accused is still required to remain in the detention house.

The proprietor was implicated by one of the kidnappers to be involved in the abduction of a Wush flour merchant, Mr. Pu Wen-ling, and he was subsequently charged in the Second Special District Court in the autumn of 1932. At the conclusion of the trial, he was sentenced to twenty years' imprisonment. The accused appealed to the Third Kiangsu High Court which sentenced him to fifteen years' imprisonment after the second trial. The accused appealed against the judgment again and by order of the Supreme Court in Nanjing the case was re-opened by the Third Kiangsu High Court. Chief Judge Wu Ting-chi, of the Criminal Division of the High Court, found the accused not guilty.

FIRST SPECIAL COURT

Murder Suspects Arrested

Two persons, Lu Ah-wei and Zau Ah-wei, are being held for the murder of Wong Ling-shih, a story-teller, in Tsau Ah Pang alley, off Gordon Road, on the night of Aug. 25. Two hatchets, said to have been used in the crime, were seized.

Altogether eight persons were involved in the crime. When the story-teller left a tea-house in Robinson Road, with his brother, he was met by the gangsters, who were armed with axes. Severely wounded in the leg by the first blow, the victim fled to an alleyway, where he was overtaken and attacked mercilessly, it is said. In response to an alarm raised by the victim's brother, Chinese Police Constables 1712 and 1903 hurried to the scene and arrested the two accused. The victim, who had received more than ten wounds, was conveyed to a hospital where he died shortly after midnight.

In the First Special District Court, on August 26, the two accused were charged with the murder. His trousers stained with blood, Zau Ah-wei told the Court that he had been invited by a friend to fight somebody on the previous night. He denied having used a hatchet.

Lu Ah-wei said he had been asked by Chen Ling-hai to help him in a gang fight, and he struck the victim on the leg with a hatchet. According to the police, the victim invited Chen Ling-hai to open a story-teller establishment, but changed his mind and asked someone else. This angered Chen, who plotted revenge.

Fatal Accident

Two rickshaw pullers, Woo Yue-zai and Lee Pao-fu, are being held on a writ of detention issued by the First Special District Court on Aug. 28 in connection with a fatal accident in Bubbling Well Road, near Chengtu Road, in which Miss Wang Ai-feng, 22-year-old sister of Mr. Wang Pao-ying, secretary of the Shanghai City Government, received injuries and died in a hospital later.

The accident occurred shortly before midnight on Aug. 27 when the deceased together with her escort were returning home in rickshaws in a westerly direction. While the exact cause of the accident has yet to be determined, it was alleged that an attempt by puller Lee Pao-fu to run abreast of three rickshaws in front of him had caused an omnibus to swerve to one side in order to avoid hitting the rickshaw. At the time, two pedestrians were alleged to have suddenly appeared on his path, and this compelled the driver to swerve back his vehicle. The rickshaw in which Miss Wang was riding and which was pulled by Woo Yue-zai was struck by the rear part of the bus, resulting in the girl being thrown to the ground. Two foreign women passing the scene at the time convinced the girl to St. Marie's Hospital in car. She died at 3 a.m. on August 28.

At the First Special District Court on Aug. 28, the puller Lee Pao-fu denied trying to pull his rickshaw abreast with the three others in front of him.

Counterfeit Gang Sentenced

Believed to be members of a well-organized counterfeit gang, Tsong Tsung-zai, were sentenced to seven years (in the case of the first accused) and five years' imprisonment (in the case of the latter two) by the First Special District Court on Aug. 29. The first accused was also fined \$1,000.

The trio were arrested by detectives of Wayside Station on August 17 in a raid on a house at 27, Lane 932, off East Yuhand Road. A counterfeiting plant consisting of two high-grade presses, eight engravings of \$10 banknotes and five stone impressions together with an assortment of inks, drying powders and other materials for the printing of banknotes were seized.

All of the trio arrested during the raid told the court that they were merely employed at the plant. They named one Chang Ah-dah, not in custody, to be the owner. According to the prosecution, the house was rented by the first accused who should therefore be held responsible for the crime.

MISCELLANEOUS

A claim for one month's alimony in arrears, brought by Mrs. S. S. Moosa against Mr. S. S. Moosa in H. M. Supreme Court on August 24, was dismissed by Mr. C. H. Haines, acting Assistant Judge, who pointed out to Mrs. Moosa that her order for alimony expired when she obtained her decree absolute on May 4. He advised her to see her counsel, and have him draw up a petition for an order for permanent alimony.

For striking a Chinese policeman, Mr. E. H. T. Pilcher was fined £1 and ordered to pay \$50 damages by the Registrar, Mr. C. H. Haines, in H. M. Police Court, on August 26.

Four traffic offenders were fined by Mr. C. H. Haines, Registrar, in H. M. Police Court on August 25 for parking their cars during prohibited hours, contrary to the traffic regulations. They were Mr. W. J. Yetton, who was fined 10/-, having committed the same offence on two separate dates, Mrs. R. G. Southerton, who was fined 5/-, Mr. J. Stewart Smith, who was fined 5/-, and Mrs. Vaudine Edkins, who was fined 5/-.

Alexander Karolich, alias Burlo Mihai, who was charged in the First Special District Court with the theft of \$200 from a foreign bank, was acquitted on August 25.

Vassily Ivanovitch Colianoff, aged 35, was sentenced to seven days by the First Special District Court when he was found guilty on a charge of being drunk and disorderly in Kiangse Road, near Hankow Road, at 6.20 p.m. on August 28.

Wang Siao Ah Yuch, who was extradited by the Settlement authorities to the Nantao Court on a charge of theft of pistols from the Nantao District Court's storage, has been sentenced to four years and six months' imprisonment. Twelve of the missing pistols have been recovered.

For successive pocket-picking, Zung Yung-tong, aged 37, was sentenced to four months' imprisonment in the First Special District Court on Aug. 29. He was arrested in Avenue Road, near Park Road. He was alleged to have stolen \$45 from a Chinese passenger in a railless tram on Aug. 27.

Posing as a police officer, Yang Kan-zung, unemployed, held up a Chinese pedestrian near 588 Avenue Edward VII at 11 p.m. on August 21. A real police officer who appeared on the scene at the time took him to a station. He was subsequently charged at the First Special District Court and sentenced to four months' imprisonment for illegally searching a pedestrian.

Continuing their campaign against "look-see" car touts in the district, officers of Louza Station sent eighteen persons, including three boys, to the First Special District Court on Aug. 29. One of the three boys, aged 15, was ordered to be sent to a reformatory, while the other two were cautioned and released. The fifteen others were sentenced to detention ranging from five to seven days.

For having successively put into circulation counterfeit notes, Fong Lee-ung, aged 46, was sentenced by Judge Feng in the First Special District Court on Aug. 26 to three years' imprisonment. The accused was arrested at Sincere Co.'s roof garden on August 13, when he used a \$1 counterfeit note. In his possession were found twenty forged notes of \$1 denomination. The accused implicated a shop proprietor and a manager, who were acquitted by the Court that day.

FOREIGN TELEGRAMS

GERMANY'S FORCES TO BE INCREASED

Herr Hitler Signs Decree Doubling Term of Conscription: European Nations Uneasy

Berlin, Aug. 25.
The German Army will be increased to at least 1,000,000 men after one year by a decree issued yesterday, forthwith increasing the period of active military service in the three branches of the country's armed forces from one to two years.

The decree was signed by Herr Hitler and General Werner von Blomberg, the Minister for Defence.

"It speaks to a world trembling from the horrors of a bloody civil war and fierce economic troubles," is the official comment made here on the new military measure. "History has taught us that it is better to make great sacrifices if necessary for peace than to sink into a Bolshevik chaos."

"Against Soviet imperialism and its military threats, Nazi Germany, as a trustee of its own peace and defender of its culture, will take any measure necessary to guarantee the freedom and independence of the nation in all circumstances."

The decree will throw a still heavier burden of organization on the already hard-worked Reichswehr generals.

New barracks will have to be built throughout the country and officers will have to be found to train the extra conscripts.

After October, when the 1916 class of conscripts will be called to the colours, Germany will have a standing army of 200,000 men serving for 12 years and the 1915 and 1916 classes, each 350,000 strong.

When the post-war classes are called up, they will probably be larger, and the German Army is expected to total at least 1,000,000 men.—Reuter.

London and Paris Stirred

Paris, Aug. 25.
Herr Hitler's decree, although not entirely unexpected, nevertheless caused a great sensation and stir in the French and British capitals.

Paris political quarters, however, last night refrained from making any comments whatever, merely saying that Germany's decision was of utmost gravity and that its consequences should be given careful study.

Much uneasiness, mingled with surprise at the hastiness of the Führer's move, is expressed in London political circles. The measure, they say, comes at a moment when the general European situation is already extremely complicated.

Conservative commentators in the British capital, however, point out that Germany's gesture is a justified answer to the U.S.S.R.'s recent step lowering the conscription age to 19 years. Labourite and Liberal observers on their part say that the Soviet measure served as a mere pretext to Germany, whose decision had been taken long ago.—Havas.

Europe's Strongest Army

Berlin, Aug. 25.
The two years conscription law just promulgated makes Germany the strongest military power in Europe, Nazi quarters here declare, adding that thanks to the better economic organization of the Reich, the German Army will now favourably compare with the U.S.S.R.'s military strength.

The same quarters point out that Germany's whole economic organization may be instantly put on a war footing. Thus an active army of 1,000,000 men, now being created in the midst of Europe, will also benefit by Europe's most powerful war industry.

It will be recalled that the present German peace-time force of 600,000 men is composed in equal proportion of regular soldiers and conscripts. The war-time effectives are even more important.

Young men of the 1914 class are listed at 598,000, of the 1915 class at 407,000, 1916 at 354,000, 1917 at 317,000, 1918 at 331,000, while the post-war years 1919 and 1920 are expected to yield 492,000 and 647,000 respectively. Thanks to the excellent physical condition of the youth, only 10 per cent. of these effectives are estimated unfit for active service.—Havas.

Rome Pleased by Move

Rome, Aug. 25.
The German decision to increase the term of service of her army effectives will result in a much more powerful defence against this international menace of Communism, political circles here declared in approving the German announcement.

The Berlin step, they added, is also destined to support peace and order in western Europe. It was nevertheless not made, they believe, with the intention to bring about an Italo-German-Austro-Hungarian anti-Communist bloc in Central Europe.—Havas.

Stir in Paris

Paris, Aug. 26.
According to "Petit Parisien," the Premier, M. Leon Blum, had a conversation with the Chief-of-Staff, Gen. Gamelin, yesterday, when the situation created by the prolongation of the military service period in Germany was discussed. The supreme military commission, comprising the Premier, the Foreign Minister, the three Defence Ministers, and the Chiefs-of-Staff of the three defence branches, also met, according to "Echo de Paris," which states that the thought of making any kind of diplomatic protest regarding the German step had been dropped, since it was impossible to-day to cite dead clauses without making oneself ridiculous.

The French diplomats will not be inactive, declares "Excelsior," going on to say that a conference, from which Germany would not be excluded probably would be convoked in order to investigate the European situation, and, if not to conclude a pact, at least to reach some agreement.—Trans-Ocean Kuo Min.

Moscow's Accusation

Moscow, Aug. 26.
The Reich's new military decree shows that Germany wants a European war, the Moscow "Pravda," the official organ of the Soviet Communist Party's Political Bureau, writes. "We realize now why Germany led such a strong campaign against the alleged Soviet armaments," the paper says. "Herr Hitler wishes to hasten war in Europe. However, Germany is exhausted. She cannot fulfill her programme of military aggression without causing a financial and economic disaster which would impose new inhuman sacrifices on her working classes."—Havas.

Hungary's Approval

Warsaw, Aug. 26.
Following in Germany's footsteps, the Hungarian Government intends shortly decreeing conscription in Hungary, well-informed quarters here affirmed last night. They added that the matter was discussed between the Regent of Hungary and the Reichsführer in the course of their recent interview at Berchtesgaden.—Havas.

ITALIAN MANOEUVRES

Rome, Aug. 26.
In the presence of II Duce and King Victor Emmanuel of Italy, large-scale manoeuvres of the Italian army opened last night in accordance with the established plan of operations, the "Red" troops are marching from East to West. They have attacked a "Blue" motorized brigade in order to prevent the enemy from organizing resistance. At the same time, the "Red" air force "bombed" the "Blue" reinforcements. On the other hand, "Blue" planes "bombed" the "Red" army's center of supplies.—Havas.

CZECH MANOEUVRES

Prague, Aug. 25.
The vast-scale army manoeuvres conducted in eastern Bohemia with the participation of nearly 100,000 Czechoslovakian troops were concluded yesterday.

At the close of the manoeuvres, M. Machnick, the Czech Minister of War, delivered a speech before a gathering of Czechoslovakian officers and members of foreign military delegations which attended the war games. The Minister emphasized the necessity of strengthening the country's means of defence against aggression and said that the whole Czech nation looked at its army with immense respect and faith.—Havas.

U.S. ARMS MAKERS WARNED

Must Be Ready for War Basis at Short Notice

Washington, Aug. 24.
An ominous indication of the grave alarm felt in the United States over the trend of events in Europe was given to-day by Major-General William H. Tschappat, Chief of Ordnance of the United States Army, who warned the munitions industry of the nation to "prepare for a war mission."

In an outspoken declaration General Tschappat said that the arms factories of the United States should be kept ready to go on a basis of war-time production on the shortest notice.

At the same time, writing in the "Journal of the Army Ordnance Association," the chief of the division added, "The planning of defence to-day is more vital than at any time since the close of the World War. The Department of War is convinced that in the event of war American industry must produce a 'major portion of the munitions which will be required.'"

The War Department, he continued, was opposed to the proposal that the Government commandeer and manufacture all arms and munitions to prevent profiteering, as outlined by investigating committees of the Senate and the House of Representatives.

General Tschappat said that while he did not believe that the current crisis in Europe would result in an immediate world-wide war, "it is serious enough to warrant us in maintaining our plans in a status which will permit them to be put into effect at short notice."

Senator Robert R. Reynolds, Democrat of North Carolina, took issue with the Army Ordnance Chief on the question of private operation of the nation's munitions plants in time of war. He said that he favoured nationalization of the industry the moment that war starts.

"If we are capable of assembling troops, why are we incapable of developing our own munitions plants?" he asked.—United Press.

A FIERCE CRITICISM OF GERMANY

Dramatic Outburst in the Leading Soviet Paper

Moscow, Aug. 25.
A furious attack on Germany, surpassing in virulence similar attacks on Soviet Russia by the German press, is contained in an article published to-day in the "Izvestia." The article, entitled "Fascist Bandits," attacks Dr. Joseph Goebbels, the Reich Minister of Propaganda, and Herr Himmler, chief of the German secret police, and alleges that, during the past few years, the German Fascist press has been systematically engaged in spreading lies and heinous inventions about Russia.

The aim, the article adds, was to prepare the German people "for that bloody nightmare, the acceptance of the programme of brigandage outlined in detail in Herr Hitler's book 'Mein Kampf,' which has become the Bible for Brown assassins, master executioners, secret police agents, and incendiaries."—Reuter.

CATHOLIC CHURCH AND NAZIS

Allied in Struggle Against World Bolshevism

Berlin, Aug. 26.
A letter marking what seems to be a complete reconciliation between the Nazis and the Catholic Church has been issued by the Conference of Catholic Bishops at Fulda, causing great satisfaction in National Socialist quarters throughout Germany. "The Catholic Church joins National Socialism for a struggle against the world Bolshevism. It implores the benediction of Heaven for the Führer's task, and places its spiritual forces at the service of the National community," states the momentous document, from which large extracts are published to-day by the "Essen National Zeitung," the mouthpiece of Gen. Hermann Wilhelm Goerring, Premier of Prussia and Reich Minister for Air.

A radical change of the Nazi attitude toward the Catholic Church generally is seen here as the cause which prompted the episcopal declaration. The new attitude means Herr Hitler's reconciliation with 25,000,000 German Catholics and the end of persecutions and violent polemics between Herr Alfred Rosenberg, the Nazi exponent of pagan rites, the Kulturkampf movement

AMBITION PLAN FOR WORLD PEACE

Widespread Belief of U.S. President's Intention

New York, Aug. 26.
The widespread report that President Roosevelt, if re-elected in November, would invite King Edward, M. Stalin, Herr Adolf Hitler, Signor Benito Mussolini, M. Lebrun, and representatives of China and Japan to a world peace conference, was the subject of editorial comment in the "New York Times" to-day. President Roosevelt, the journal states, believes that public opinion would take a more vigorous and definite stand behind such a conference than it has done hitherto on a separate nationalist basis.

Though abstaining from any responsibility for peace in the Eastern hemisphere, President Roosevelt, the paper proceeds, would point out conditions in the Western hemisphere and would urge that the Pan-American peace agreements serve as a model for all.

The President believes he would be in a stronger position than President Wilson for leading a campaign for world peace. He would come to the conference fresh from a political victory, instead of being overshadowed by an impending electoral struggle, like President Wilson in 1918. Also, the conference would meet unembarrassed by the recollection of a long and bitter war, so that there would be no victors and vanquished, and there would be no treaties or covenants to be signed.

Such men as it is proposed to invite, the paper adds, could not fail to stamp out the embers of war.—Reuter.

"Utterly Fantastic"

Washington, Aug. 26.
Reports that President Roosevelt is considering a proposal to call a peace conference composed of the heads of the major powers of the world were branded "utterly fantastic" to-day by the Department of State.

Officials of the Department said that the President was greatly concerned at the troubled international situation arising from the military revolt in Spain, but that he had no thought of initiating a peace conference.

Attention was directed to the action of the United States last week in refusing Uruguay's suggestion for joint action to promote peace in Spain.—United Press.

"N. Y. Times" Gives Details

Washington, Aug. 27.
Meanwhile, the "New York Times" publishes the following details concerning the President's alleged plan, under the signature of Arthur Krock, a well-known political expert.

"President Roosevelt," Mr. Krock writes, "is understood to have communicated the plan to a few of his closest friends, but has taken no definite decision in the matter."

"The Chief Executive is even said to have expressed the conviction that should the proposed conference prove nothing but a mere gesture, such gesture would be sufficiently powerful to postpone war for many years."

The article further points out that the project is still in an embryonic state. It will be recalled that the rumoured plan, first revealed in the press by the "New York Times," is said to provide for the meeting of the highest chiefs of foreign states, such as King Edward VIII, Signor Benito Mussolini, Premier of Italy, Reichsführer Adolf Hitler, President Albert Lebrun of France, Moscow's dictator, Joseph Stalin, and others.—Havas.

Rome Sceptical

Rome, Aug. 27.
Much scepticism is expressed in Rome political quarters as regards the possible utility of President Roosevelt's reported suggestion for the convocation of an international conference of heads of the main powers to discuss peace.

Italy, these quarters say, never believed in the efficiency of international parleys, and showed preference for direct and more realistic accords between the interested states, such as the Rome agreements with Austria and Hungary. The Italian Government, they add, deems practicable only those conferences which are convened to discuss definite and concrete subject among a limited number of participants.—Havas.

launched by the National Socialists on one side, and the Bishops on the other.

Some believe this reconciliation was prompted by the intervention of Signor Mussolini, who, it is said, pointed out to the Führer the inconveniences of his anti-Catholic stand. Furthermore, Berlin was favourably impressed by the recent anti-Red declarations made in the Vatican in connection with the situation in Spain.—Havas.

MUSSOLINI MAY MEET HITLER

Duce Expected to Repay Visit to Venice in 1933

Paris, Aug. 26.
It is reported from Berlin that Signor Mussolini may visit Herr Hitler at Berchtesgaden in the second fortnight in September and thus return the visit made by the Fuehrer to Venice in 1933.

Signor Mussolini, it is stated, will take the opportunity publicly to show Italy's gratitude for the attitude adopted by Germany during the imposition of sanctions against his country.

Certain observers are quoted as holding the belief that Germany and Italy are seeking to form a bloc against Bolshevism in Central Europe.

An agreement is stated to be under consideration and, if it materializes, would include Germany, Italy and Austria and perhaps Bulgaria.—Reuter.

The Italian View

Rome, Aug. 29.
Rome political circles, while confirming the rumours current in Berlin diplomatic quarters that II Duce will probably meet Herr Hitler shortly in Germany nevertheless stress the fact that Italy is definitely hostile to the creation of a two-bloc system in Europe. A Central European anti-Communist coalition could only be contemplated, they add, if a Bolshevik menace appeared imminent.

Premier Benito Mussolini is contemplating, they say, a visit to Germany to repay Herr Hitler's journey to Venice in June, 1934, but no definite steps have as yet been taken to make the proposed trip an actuality.

Stressing the fact that Italy is grateful to the Reich for its attitude during the period when sanctions were being levied by other nations, these sources emphasize, however, that Italian policy at the present time is in no way bound up with that of Germany, despite the friendship that exists between the two countries.

It is also understood here that German trading circles are disappointed, since they had anticipated that they would secure almost the totality of Italian foreign trade. This, it is pointed out, is not possible, since Italy has concluded trade agreements with various other powers.—Havas.

RED ARMY WARNED TO BE READY

On the Eve of Momentous Events, Says Stalin

London, Aug. 26.
"We are on the eve of momentous events, and at any moment you may be called upon to lay down your lives in defence of your proletarian land of birth," M. Stalin, the Soviet Dictator, declared to-day in a broadcast to the Red Army, according to a special despatch to the "Evening News."

"It is the moment you have been expecting," M. Stalin is reported to have said. "Now the land of your birth is expecting you to do a duty you have so eagerly awaited. I have no doubts about you, and I am convinced that you have no doubts about us, your leaders. The enemies are getting into position, so be ready. Those on the frontiers keep watch."

In conclusion, the Soviet Dictator, emphasizing the efficiency of the Army's equipment, is alleged to have declared:—"Everything money could buy, man's genius could invent, and workers could make has been placed in your hands for the defence and glory of Sovietland."—Reuter.

Broadcast Reaffirmed

London, Aug. 28.
The "Evening News" reported to-day that radio receivers in London heard a broadcast at 4 a.m. on Wednesday from Moscow in which Klement Voroshilov, Soviet War Commissar, was introduced by Marshal M. N. Tukachevsky, and spoke to the Soviet Army, following which the voice of M. Josef Stalin, although unnamed, was clearly recognized.

"We are on the very eve of momentous events," the "Evening News" quoted M. Stalin as having said. "Any moment you may be called upon to lay down your lives in defence of the proletarian birthland. Our enemies are getting into position, so be ready."

Despite denials from Moscow that Stalin had spoken to the army, the "Daily Mail" to-day reported its story of yesterday which first announced the Soviet leader's alleged address.—United Press.

Immediate steps are being taken with a view to securing Egypt's admission to the League of Nations.

ANGLO-EGYPTIAN TREATY SIGNED

A Pledge and Instrument for Future Collaboration: British Troops to Be Gradually Withdrawn

London, Aug. 26. A new era in the relations between Great Britain and Egypt was ushered in to-day when the Anglo-Egyptian Treaty recently concluded in Cairo was signed. The ceremony took place in the historic Locarno Room of the Foreign Office. Mr. Anthony Eden, the Foreign Secretary; Lord Halifax, Lord Privy Seal; Sir John Simon, the Home Secretary; Mr. Ramsay MacDonald, Lord President of the Council; and Sir Miles Lampson, High Commissioner for Egypt and the Sudan, signed on behalf of the British Government, while all the thirteen Egyptian delegates, headed by the Premier, Nahas Pasha, who arrived here on Sunday for the purpose, affixed their signatures to the document on behalf of Egypt.

The Treaty was the beginning of a new stage in Anglo-Egyptian relations, declared Mr. Eden in a brief speech after the signing ceremony. It was, he added, a pledge and an instrument for future collaboration.

In reply, Nahas Pasha described the Treaty as a symbol for Britain and Egypt to show themselves to the world as two equal friendly countries united under the sign of free co-operation and sincere alliance.

The Egyptian delegation included the ex-Premiers—Mahmud Pasha, Sidky Pasha, and Abdel Yehia Pasha.—Reuter.

The Terms

London, Aug. 26. According to the terms of the Anglo-Egyptian treaty, which were disclosed to-day, the following provisions are made:

Britain is permitted to maintain a naval base at Alexandria, for which rent is to be paid to Egypt.

Britain is allowed a vast increase in her air force in Egypt.

The Egyptians will undertake to construct strategic roads, assuring the rapid transport of troops between Alexandria and the Suez Canal.

In addition to eventual independence, the Egyptians are to receive aid in building up their army and possible sponsorship by London for membership in the League of Nations.—United Press.

"Life Line" to India

London, Aug. 26. That Great Britain is exchanging a vassal for an ally in Egypt with the signature of the Anglo-Egyptian treaty is the consensus expressed here to-day. The execution of the treaty will, in addition, strengthen Britain's military and naval position in the Mediterranean, it is felt. This fact is considered highly significant in view of the recent Italian threat of domination of Great Britain's "life line" to India and the Far East.

In addition to the terms previously announced, the pact provides that Great Britain shall withdraw her troops from Egypt on the "installment plan" as a concession to Egyptian Nationalist sentiment, shifting the principal garrison to the Suez Canal Zone.

An international conference will be held at Cairo during the coming winter, according to the terms of the treaty, to discuss the abolition of the mixed courts and the returning of Egypt of full judicial authority over foreigners. The final provision of the pact is that Egyptians will be allowed to emigrate to the Sudan and to own property, as well as taking an active share in the government of the Sudan which has been confined to Great Britain heretofore.—United Press.

A National Holiday

Cairo, Aug. 27. In commemoration of the signing at London yesterday of the new Anglo-Egyptian Treaty, the Egyptian Government in a decree yesterday declares August 26 will henceforth be a national holiday.—Havas.

White Paper Issued

London, Aug. 28. Termination of the military occupation of Egypt by British forces and the establishment of an alliance between the two countries are stipulated by the Anglo-Egyptian Treaty signed on Wednesday in the historic Locarno Room of the Foreign Office, the text of which was published to-day in the form of a White Paper.

The new pact will not be ratified by Great Britain until it has been discussed by Parliament, while it is expected that ratification by Egypt will not take place until November.

Following the exchange of ratifications and the registration of the new pact at Geneva, a number of matters will arise, including the question of Egypt's admission to the League of Nations, which Great Britain has agreed to support.

The treaty consists of sixteen articles and is accompanied by an agreed minute of interpretation, by Notes exchanged concerning various matters, and by a separate convention relating to immunities and pri-

ileges to be enjoyed by British forces in Egypt.

The pact will continue in force for a period of 20 years, after which, if either party so request, both will negotiate with a view to revising its terms by an agreement in the light of then existing circumstances. Negotiations for revision may, if both

Egyptians Pleased at British Treaty

SPECIAL TO THE "N.-C. HERALD"

Cairo, Aug. 29. The outstanding result of the signing of the Anglo-Egyptian Treaty has been the unprecedented warmth of feeling towards Britain in Egyptian circles. There has been no sign, so far, of criticism of the Treaty in the Egyptian press, which reviews the situation soberly and exhorts the Egyptians to unite and undertake their new responsibilities with determination for the benefit of the country.—Reuter.

parties, wish, be entered into at any time after ten years.

The treaty also provides that Great Britain and Egypt be represented in the capital of the other by an Ambassador.

Egypt will apply for membership in the League of Nations and her application will be supported by the British Government.

It is also stated that the rights and obligations of both parties under the League Covenant and the Pact of Paris are not prejudiced by the treaty and that any differences concerning the application or interpretation of its provisions, which cannot be settled by direct negotiation, will be dealt with in accordance with the provisions of the League Covenant.—Reuter.

British Press Comment

London, Aug. 28. Warm congratulations to the negotiators of the Anglo-Egyptian Treaty are offered in appreciative leading articles, in the British morning newspapers to-day, though the "Daily Mail" and the "Morning Post" are critical.

The importance of the treaty cannot be exaggerated, says "The Times." Conversion of the uneasy, unequal and uncertain association of the last 18 years into a friendly alliance between two equally independent sovereign states is a diplomatic success on which both Governments and their representatives are to be warmly congratulated.

The treaty, in the opinion of the "News-Chronicle" is even more satisfactory than had been expected. The negotiators of both nations, it adds, are to be warmly congratulated on their wisdom and moderation.

Mass opinion in both countries, the "Daily Herald" believes, will be more than satisfied that an unhappy past can now be forgotten.

The "Daily Telegraph" refers to the treaty as one of alliance between two free nations.

The "Daily Mail," however, describes the treaty as a blow to Empire security, while the "Morning Post" says: "Our worst anticipations have been confirmed. The treaty looks more like the beginning than the end of trouble."—Reuter.

New German Envoy

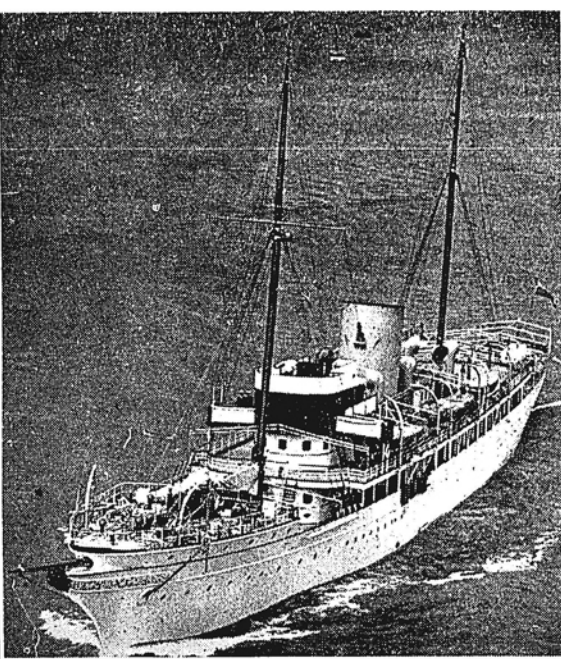
Berlin, Aug. 29. A new German Minister to Egypt to replace Baron von Stohrer, who was recently appointed Ambassador at Madrid, has been appointed. He is Freiherr von Wachendorf, formerly Consul-General in India, who was a Consul in the Union of South Africa before the Great War. He is the author of several works on colonial questions and is an expert on the British Empire.—Reuter.

FILIPINO VETERANS HONOURED BY U.S.

Washington, Aug. 28. Filipino veterans of the world war will be eligible for naturalization under the revised instructions of the Immigration and Naturalization Service circularized to-day by Mr. Daniel W. McCormack, commissioner of Immigration and Naturalization.

The ruling conforms to the decision of the Federal Court of northern Illinois last April, and immediately affects four Filipino veterans, but potentially 900 Filipinos are eligible for citizenship.

The purpose of the act of Congress, Mr. McCormack said, was to reward the veterans for their services to the country, and Congress did not intend to treat Filipinos less favourably than other alien veterans.—United Press.



NAHLIN LEAVES ON ROYAL CRUISE
Lady Yule's yacht Nahlin leaving Southampton for her voyage to the Mediterranean where His Majesty King Edward VIII boarded her for his trip.

KING EDWARD STOPS AT ATHENS

Dines at Greek Tavern with British Ambassador

Athens, Aug. 26. King Edward, who arrived here yesterday aboard the yacht Nahlin in which he is making a holiday cruise, dined last night in a Greek tavern with the British Minister in Athens, Sir Sydney Waterlow.

His Majesty and his guests sampled native dishes and wine, which they

Accident Mars King's Holiday Cruise

Athens, Aug. 25. A serious accident has befallen Lieutenant-Commander F. J. Jessel, commanding H.M.S. Glowworm, one of the two destroyers escorting the yacht Nahlin, in which King Edward is making a cruise.

Lieut.-Cmdr. Jessel is reported to have been struck by the propellers of the Glowworm while bathing in the sea at Itea, in the Gulf of Corinth.

He is stated to have been seriously injured in both legs, and to have been taken to a nursing-home at Patras.—Reuter.

found delicious, after which they visited an open-air cabaret.

The Royal party did not leave the Nahlin until yesterday afternoon and the members expressed delight at the welcome given them by the Greek public.

While visiting the Acropolis, King Edward was approached by a well-known Athens character who sold post cards. The Greek police tried to prevent his approach, but His Majesty intervened and bought some of the post cards.—Reuter.

POLISH GENERAL TO VISIT PARIS

Warsaw, Aug. 29. Great emphasis on the Franco-Polish alliance was laid yesterday in an interview with Havas by General Rydz Smigly, head of the Polish army and Poland's "First Man after the President" who left last night for France to attend the forthcoming French Army manoeuvres and to return the visit recently paid to Warsaw by General Gamelin, Chief of the French General Staff.

"This journey is the more so precious to me," Marshal Pilsudsky's successor at the head of the Polish army inspectorate declared before leaving, "as it will furnish me with an occasion to make closer contact with the French army, which, as everyone knows, is united to the Polish army by the alliance concluded between our two countries after the Great War."—Havas.

Beginning on September 2, Malta will be given a new Constitution of the type already accorded a number of British colonies. Under the new rule, an advisory Committee, some of whose members will be chosen by the Government, will assist the authorities in legislative and administrative matters.—Havas.

NEW BRITISH STAMPS FAIL TO PLEASE

"Least Distinguished England Has Ever Produced"

SPECIAL TO THE "N.-C. HERALD"

London, Aug. 28. Opinion in Great Britain on the first issues of King Edward VIII stamps, which will be on sale on Tuesday in denominations of 1/2d., 1 1/2d., and 2 1/2d., differs very widely. Here are the comments of a few noted sculptors and artists:

Mr. Eric Gill, sculptor and engraver:—"The lettering is bad, and the background is foolish."

Mr. Charles Wheeler, A.R.A.:—"An artist ought to have been consulted."

Mr. Augustus John, R.A., President of the Royal Cambrian Academy:—"Perfectly awful; bad photography and no design."

Mr. Henry Rushbury, A.R.A.:—"The least distinguished England has ever produced."

The opinion of the man-in-the-street varies from "plain but good-looking" to "the King looks as if he is beheaded." An American visitor alone has spotted a vital omission, namely, that there is nothing on the stamps to show from what country they come.

The stamps are of the same size and the same rich colours as the existing issue. The head of His Majesty, which is the dominating feature, is displayed on a shaded background, the tone of which deepens towards the left, to which the King's head is looking. The denomination is indicated in white plain figures in the top left-hand corner, and is balanced on the right-hand top corner by a Crown in tone corresponding to the shading. The word "Postage" is in plain lettering horizontally across the bottom of the stamp.—Reuter.

U.S. AMBASSADOR TO PARIS RESIGNS

Washington, Aug. 28. The United States Ambassador to Paris, Mr. Jesse Isidor Strauss, yesterday resigned his post for reasons of ill health and will be succeeded by Mr. William Bullitt, now American envoy to Moscow, it was officially announced here last night.

In his letter, accepting the ambassador's resignation the president said in part: "Should the Administration headed by me last another four years term, I would like to see you back at your post."—Havas

B.B.C. TELEVISION DEBUT

SPECIAL TO THE "N.-C. HERALD"

London, Aug. 26. Television history was made here to-day when the British Broadcasting Corporation's station in North London sent its first transmission for public exhibition in connection with the opening of the annual radio show at Olympia.

The audience possessing receivers throughout London were delighted by the excellent reproduction, seeing and hearing literary celebrities, artists and cinema films.—Reuter.

NEW DEAL BACKERS ELECTED

Landon's Vigorous Attacks on "Heritage of Debts"

Washington, Aug. 28. Two of the strongest supporters of the Administration in the United States Senate emerged from bitter primary election contests to-day with flying colours. Senator Pat Harrison of Mississippi and Senator James F.

Out to Shoot the President

Aberdeen, S.D., Aug. 28. "I am starting for Pierre in order to shoot the president," a seventy-year old man, former inmate of an asylum, told State Police who had followed him forty miles from Huecla, S.D. The man was arrested and questioned, but the police could find no motive for the intended crime. President Roosevelt has just begun his trip through the drought-stricken Middle-west where he will visit state capitals and confer with governors and senators of the states most affected by the adverse weather conditions.—United Press.

Byrnes of South Carolina both scored convincing victories over candidates opposing them for the Democratic nominations in their respective states.—United Press.

Mr. Alfred Landon

Buffalo, N.Y., Aug. 26. Mr. Alfred Mossman Landon, Republican candidate for the Presidency, launched a vigorous attack on the new deal expenditures and tax policy here to-day in an address delivered to a crowd of 30,000 persons who gathered to welcome the Kansas Governor at Lakeside Stadium.

Terming New Deal expenditures as "spendthrift generosity" which would become a "heritage of debts," Mr. Landon turned his attention to recent tax legislation.

The Republican candidate promised to seek the repeal of the 1936 Corporate Tax Bill in the event of his election.

"It is the most cock-eyed tax legislation ever imposed upon a modern country," Mr. Landon declared, "making re-employment more difficult, and jeopardizing the job of every man and woman working at present."

Emphasizing that the funds to meet Government expenditures must come from the pockets of the public, Mr. Landon said that in 1932 fifty-nine cents of every tax dollar was derived from direct taxes. To-day, Mr. Landon asserted, only forty-nine cents of every tax dollar is received through direct taxation, while hidden taxes have increased and hit persons of small income.—United Press.

Drought Meeting Delayed

Jamestown, Aug. 27. The conference between President Roosevelt and Mr. Alfred Mossman Landon, Republican candidate for the Presidency and Governor of Kansas, at which relief to drought-stricken states will be considered, was postponed to-day because of the death of Mr. George H. Dern, Secretary of War. The President has announced that his attendance at Mr. Dern's funeral at Salt Lake City will delay the drought conference with Mr. Landon until September 3.

The President plans to meet the Governors of all mid-western states during his present tour of the drought area. After inspecting the situation at first hand, meetings at various western state capitals will attempt to evolve a programme for relieving the plight of poverty stricken farmers in the drought region.

When President Roosevelt's special train arrived here to-day, the President was too busy to address the crowd which had assembled at the railway station to greet him. His son, Franklin Roosevelt, Jr., stepped to the platform of the train to apologize for his father's inability to appear.

"The old man will see you when he comes through here to-morrow," young Roosevelt said, at which the crowd of farmers roared with laughter.—United Press.

Landon Helper Charged

Parsons, Kan., Aug. 27. Mr. John D. M. Hamilton, Chairman of the Republican National Committee and campaign manager for Mr. Alfred Mossman Landon, Republican presidential candidate, has been charged with supporting the Ku Klux Klan endorsed candidate for Governor of Kansas in 1934. Mr. Clyde M. Reed, former Governor of Kansas, made the charge in a telegram addressed to Mr. Hamilton.

Mr. Reed was elected governor in 1928, with Mr. Landon as his campaign manager.—United Press.

CIVIL HOSTILITIES IN SPAIN

Determined Fighting by Government Forces: Drive on Madrid Continued by Insurgent Armies

THE British, French, Argentine, and other Ambassadors in Madrid to-day submitted to their governments proposals to mitigate the conduct of the Spanish civil war. The plan is now under consideration in London.—Reuter.

It is emphasized that there is no question of mediation on the part of the Ambassadors, who desire only to render assistance to war prisoners and other victims.—Reuter.

An Eye-witness Account

The following is an eye-witness account of the fighting, sent by Reuter's special correspondent, Mr. C. J. Murphy:—

The terrain from the shores of the Bidaso River up to San Sebastian, which dawn showed to be bristling with barbed wire, skillfully-placed machine-gun nests, and other paraphernalia, suddenly sprang into life in circumstances enabling neutral watchers to follow the fortunes of the severest battle of the civil war hitherto. Insurgent regulars, probably Moroccan troops, advanced in well-ordered extended lines against a hill facing Briatou and commanding Iru. In the middle of each line a couple of stretcher-bearers were ready to pick up casualties. Obviously, all were disciplined troops, for they kept intervals and direction with trained precision.

Rebel tanks, supported by armoured cars, could be seen creeping along roads and through mountains all the time bullets from the defenders splashing against their sides like hail. Bursting bombs, the rattle of machine-guns, and the deeper roar of trench-mortars and field-artillery created a deafening sound.

Within 100 yd. of me, the Government nearly scored a direct hit against a column of five insurgent armoured cars, over which bursting bombs scattered a shower of earth and stones. Men could be seen falling dead and wounded on both sides. One carried a gold and scarlet banner. He was, apparently, a kind of colour-bearer.

Bad Marksmanship

Hundreds of dynamite mines, electrically controlled, had been carefully placed on roads and bridges by the defenders, and, after every terrific detonation, the insurgents would, methodically, but frantically, restore the gaps before proceeding further. Up to 11 a.m., the attackers had advanced 200 yd. along the road and the crest of the hill, and had captured some houses along the roadway. The marksmanship of the Government forces appeared to be very bad, and, despite a heavy bombardment, the casualties were light.

Moreover, both sides were favoured with plenty of cover. Compared with the insurgent regulars, the Government militia looked like farmhands shooting rabbits, but they seemed determined to hang on to their positions.

Shortly before noon, a rising mist checked the artillery fire and facilitated infiltration tactics, the skilled attackers evading the defenders' machine-guns by creeping around the flanks of the defending army. Subsequently, single files could be seen advancing up the mountains, intent on reaching the crests and turning the Government positions. Gen. Mola's troops, however, are bound to meet considerable resistance, as all the peaks are held by strongly entrenched forces.—Reuter.

Rebel Plans Found

Madrid, Aug. 26. A document revealing the complete plans for the Spanish revolution was discovered to-day in a raid by loyalists on the home of Senor Luis Ortiz Zugasti, a Fascist leader. Government officials announced here.

"For the purpose of controlling the latest developments in the movement since May 8," Government spokesmen quoted the document as having said, "only orders to agents of co-ordination will be effective. Agents will communicate by means of code Elm 54.22, and local chiefs instruct their committees verbally."

The document was said to have included types of code orders which were to start the mobilization of insurgent forces, the movements of the rebel troops, and the attack upon the Government. Provision was also made for imprisonment of counter-revolutionaries at predetermined positions, the mobilization of syndicates, and a general strike which would include sabotage and the dynamiting of railroads, it was asserted.

An order calling for the postponement of the revolt, informed the rebel organization to be prepared to close frontiers and ports and to execute persons named on a "black list," was also said to have been included in the document.

"Orders will be given on the eve of the movement over a radio sta-

London, Aug. 25.

Foreign Property to be Protected

Washington, Aug. 24.

The Spanish Government to-day formally notified the Department of State that it would not seize foreign private-owned property without full and fair compensation.

Another group of American nationals evacuated Spain and arrived at Marseilles on Saturday, the Department announced. One hundred sixty Americans are remaining in Spain at the present time, including 26 Filipinos, the Department reported at the same time.—United Press.

tion at Casa Del Pueblo in Madrid between May 29 and June 12," the document was alleged to have instructed.

Plans for the seizure of all strategic points in Madrid by various insurgent organizations were also disclosed, officials reported.

The premature outbreak of the revolt in Morocco was believed to have prevented carrying out the original plans for the revolt which in Madrid was to have been signaled by the seizure of the palace, the presidency, all communications and the Ministry of War.—United Press.

Government Planes Destroyed

Lisbon, Aug. 26.

Twenty-one new Spanish Government planes, including "the best bombers recently imported from France," were destroyed in the raid by insurgent machines on Madrid last Sunday, according to a report received here from the Burgos Junta.

The message declares that rebel spies in Madrid sent the news so quickly that the Government planes were bombed and destroyed only 20 minutes after their arrival in Madrid. The Burgos Junta claims that hangars, workshops and depots were



Courtesy of "The Times."

also destroyed, and the aerodrome damaged to such an extent that several Government planes attempting to land turned over and burst into flames.—Reuter.

Tangiers, Aug. 26.

Twelve thousand foreign legionaires and Moroccan troops have been transported to Spain, leaving 37,000 still in Spanish Morocco, according to reliable sources here.—Reuter.

Defence Programme

Madrid, Aug. 26.

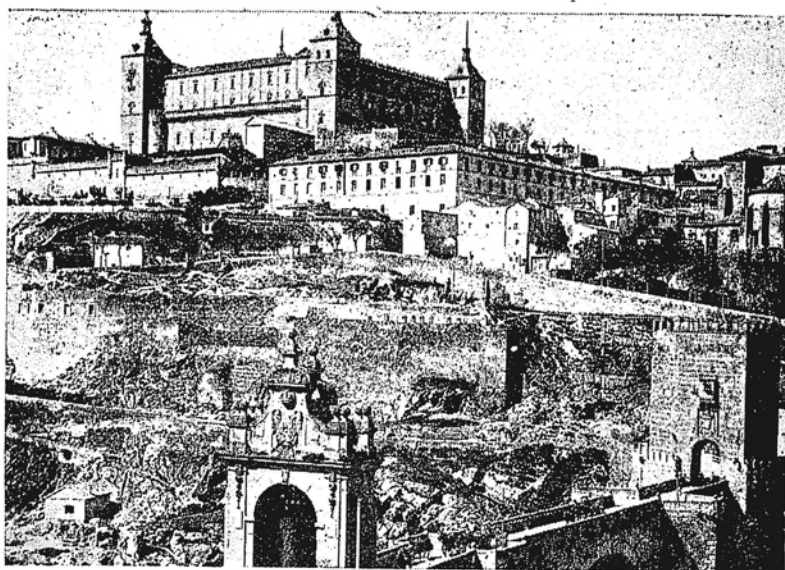
The Government to-day commenced its programme of emergency defence preparations. Indicating the urgency of the present situation, the authorities took the following steps:

Firstly, all roads south of Toledo and vicinity were closed to vehicular traffic, with the exception of one special pass.

Secondly, a warning was issued that the disseminators of false rumours would be regarded as potential enemies of the state.

Thirdly, the President of Spain, Senor Manuel Azana, accepted the verbal resignation of ten members of the Tribunal of Guarantees, including its president, Senor Fernando Gasset.

Fourthly, the Government issued a decree instituting special revolution-



TOLEDO BOMBED BY INSURGENTS

The insurgents in Spain claim the successful bombing of Toledo, which is in possession of the Government forces. Picture shows the Alcazar, the famous Moorish palace at Toledo, which has been used as a military academy.

ary tribunals to try persons connected with the rebellion or accused of sedition.

Fifthly, raids were conducted all over the city, bringing into the toils of the law a new group of right-wing supporters and sympathizers and causing the city's prisons to overflow.

Finally, the War Office appealed to the populace to institute a programme of complete military secrecy to prevent vital information from reaching the enemy.

Meanwhile, fighting was intensified on all major fronts, with leaders of the forces in the field indicating that the loyalists were at least holding their own in the struggle with the rebels.—United Press.

Barcelona Confiscates Arms

Barcelona, Aug. 26.

The confiscation of arms and munitions in possession of any persons not affiliated with subordinate organizations of the Central Militia Committee was ordered by the Committee to-day.

In addition the Committee ordered the seizure of the famous Mont Serrat monastery. Meanwhile, it was understood, the Bishop of Gerona has fled to Perpignan.—United Press.

Zeppelin Not to Land

Friedrichshafen, Aug. 26.

The German air liner Hindenburg on her next flight to South America, starting to-morrow, will take for South America on mail in Lisbon and not in Spain as hitherto, since the company consider the risk of taking on the mail in Spain as too great at the moment in view of the unsettled conditions prevailing there, says a statement of the German Zeppelin Company here.—Trans-Ocean Kuo Min.

Rebels Checked

Hendaye, Aug. 27.

The fierce struggle between the loyalists and insurgents for possession of Iru and San Sebastian, which was resumed to-day, resulted in another check for the rebels.

Following a heavy barrage laid down by Government artillery, both sides of the insurgent attacks broke down and they were compelled to abandon their direct assault along the Pamplona-Iru road. An attempted flank movement by the rebels along the slopes of Mount Turisarte also ended in failure.

Later in the day, the insurgents following the arrival of reinforcements from Burgos, made some progress in the hills, but failed to turn the strong loyalist positions. With darkness falling, the fire of the beligerents slackened, and both sides seemed to have tacitly agreed to have a siesta while the front line troops were relieved.

The insurgents, however, claim that Colonel Yague, who captured Badajoz, has occupied the town of Talavera. They also allege that Government aeroplanes had bombed the hospital at Jaca. The commander of the garrison at Jaca is reported to have announced that, for each further bomb dropped on the hospital, five Government prisoners would be shot.—Reuter.

Drive on Madrid

Madrid, Aug. 28.

Loyalist forces were victorious to-day after a ten-hour battle in the Lozoya Valley, according to a radio broadcast by the Department of War.

The rebels are apparently starting their drive on Madrid, the Department of War believed.

Following the appearance of four insurgent planes over Madrid, four bombs were dropped on the centre of the city, the Department of War broadcast at two o'clock this morning. Prior to the bombardment the rebel planes dropped flares. Four militiamen were injured by the bombs, two near the North Station, and two near Cibelles Square, where the planes dropped the flares.—United Press.

Madrid, Aug. 29.

The bombing followed an ultimatum dropped on Madrid by insurgent planes yesterday. The ultimatum read: "If you do not compel the Marxist leaders to surrender immediately and unconditionally, we regret the great damage we shall be obliged to do the population and the beautiful capital."—Reuter.

Organized Massacres

Bordeaux, Aug. 29.

Organized massacres are occurring everywhere in Spain, according to refugees from Gerona who arrived here to-day aboard a French liner. They declared that important people were tried, but "small folk" were being executed without trial. Moreover, the Spanish civil war was being made the occasion for the settling of private feuds, people being shot out of hand on the slightest pretext.

The refugees added that the insurgents regarded all French as Communist revolutionaries, while Government supporters suspected the French as being responsible for sending arms and ammunition to the insurgents.—Reuter.

March on Capital

Burgos, Aug. 30.

The insurgents advancing on Madrid from the northeast are reported to have made good progress to-day. They are now claimed to have surrounded the town of Sigüenza, about 75 miles from the capital.—Reuter.

Seville, Aug. 29. The insurgent headquarters here to-day announced that, after an extremely rapid advance on Madrid, the rebel columns commanded by Col. Castellan entered the historic village of Cropea, 62 miles from the capital. "We shall be in Madrid within the next few days," declared Gen. Del Llano, one of the insurgent leaders.—Reuter.

Nearing Madrid

Lisbon, Aug. 30.

The bloodiest and bitterest fighting of the Spanish civil war carried the rebels still closer to Madrid to-day. Elsewhere, battles raged on land, sea and in the air. With the exception of increasing casualties, however, the situation was changed only on the Extremadura front. Iru and San Sebastian resisted for the fifth day the aeroplane bombardment and artillery and naval shelling from the rebel forces.

Gen. Quipeo de Llano, one of the leaders of the southern rebels, claimed in a radio broadcast from Seville that the insurgents had triumphed at Calzada and De Propesa. "We took many prisoners of both sexes," he said. "At present, our attention is fixed on Toledo, which will fall shortly. Then we shall attack Madrid, where there are now three govern-

"The Madrid murders are continuing," Gen. de Llano broadcast. "Thus far, there have been 2,000 assassinations. The Marxists have requisitioned bank funds. The Communists have tried to rob the Bank of Spain." Gen. de Llano also claimed that Japan had ordered the Spanish Minister to Tokyo, Senor Mendez Vigo, to sever relations with the Leftists.

Loyalist aviators bombarded Llanes, preventing rebels from capturing Puerto Espina, and advancing on the way to Oviedo, where rebels are holding the town through a bitter siege, according to a Madrid broadcast. The broadcast also said that a rebel column at Lueara had been defeated.

A spectacular battle is in progress between rebel shore batteries and the loyalist cruiser, Libertad, according to reports from Gibraltar to-day.—United Press.

THE NON-INTERVENTION QUESTION

Moscow, Aug. 24.

The Soviet Foreign Commissar, M. Litvinoff, to-day informed the French Ambassador that Russia agreed to the French proposal of non-intervention in Spain.

He declared that Soviet Russia would place an embargo on the export of arms, ammunition and aeroplanes to Spain, and would also forbid the fulfilment of arms contracts already placed provided Italy, Germany and Portugal adhere to a similar agreement.—Reuter.

Labour Party's Interest

London, Aug. 25.

A special meeting of the National Council of Labour was held in London to-day, to consider the Spanish situation and its international implications. Reports were made on the joint meeting of the International Federation of Trade Unions and the Labour and Socialist International at the end of July, and again last week, and on the meeting between representatives of organized labour and the Foreign Secretary last Wednesday.—Wireless through Reuter.

Dublin For Neutrality

Dublin, Aug. 23.

The Irish Free State to-day accepted the principle of neutrality in regard to Spain in a Note to the French Minister. The Note added that the Irish Free State was taking steps to prevent the exportation of arms to the Spanish belligerents.—United Press.

U.S. and Blockade

Washington, Aug. 26.

The United States will not "admit the legality" of the Spanish loyalists in declaring the ports of Spain closed, unless the government declares and maintains an effective blockade, the Department of State to-day instructed Mr. Eric C. Wendelin, third secretary of the American Embassy in Madrid.

The announcement came as a reply to a note from Spain in which the loyalists warned the foreign nations that they would not allow free entry to the ports held by the insurgents. The United States, however, has only the "friendly feeling toward the Spanish government," the Department of State concluded.—United Press.

Neutrality Committee

Paris, Aug. 26.

A permanent committee composed of representatives of countries adher-

ing to the Spanish non-intervention agreement, with headquarters possibly in London, has been suggested by the French Government, it was learned to-day.

The object of this committee, it is stated, will be to maintain close contact between the governments concerned, and receive details from each State of the measures taken to ensure neutrality.

The committee would also consider extra measures which might be advisable to take. Meanwhile, France is speeding up work on the non-intervention plan, particularly making demarches to countries which have not yet proclaimed an arms embargo against Spain.—Reuter.

Portugal Bans Arms

Lisbon, Aug. 27.

An immediate ban on the export and transit of all war materials to Spain has been declared by the Portuguese Government in a special decree. A reservation states that the decree may be cancelled if the powers adhering to the proposed non-intervention convention even indirectly permit volunteering or subscriptions for Spain.—Havas.

Turkey Backs Neutrality

Ankara, Aug. 27.

Desirous of contributing to the appeasement of the present international situation, the Turkish Government decided to adhere to the French plan of non-intervention in Spanish Affairs. Turkey's Foreign Minister, Mr. Rustu Aras, yesterday informed the French Chargé d'Affaires in Ankara.

The minister pointed out, however, that Turkey's decision should not be considered either as a precedent or as a general rule as regards any future situation, where a legal foreign Government may be in need of help.—Havas.

"Internal Politics"

London, Aug. 27.

"Internal politics in Spain are the concern of the people of Spain, but mass executions of prisoners of war and barbarous reprisals engendered thereby are matters to which the civilized world cannot be indifferent."

This point is stressed in a telegram despatched by Mr. Anthony Eden, the Foreign Secretary, to the British Ambassador to Spain cordially welcoming the proposal endorsed by diplomatic representatives to Spain at a recent meeting on the Franco-Spanish border, that an appeal be made to belligerents on humanitarian grounds to mitigate suffering as far as possible.

"I understand," declared Mr. Eden, "it has been proposed that diplomatic representatives to Spain co-operate in the formulation of a scheme of approach to the leaders of both sides."

"In any such approach, His Majesty's Government will be ready and anxious to share. Moreover, it is also the urgent desire of His Majesty's Government to play its full part in any organized international effort such as will, it is hoped, result from this approach."—Reuter.

Embargo On Arms To Spain

London, Aug. 27.

Requests have, it is understood, been addressed by the French Government to each of the European Powers concerned asking them to put into force forthwith their undertakings to impose an embargo on all export of arms to Spain, and in capitals where such steps have not already been taken, the British representatives have been instructed to support this French request.

It is understood, however, that a notification has now been received in Paris of the Portuguese Government's intention to implement their undertaking in this regard. France, Britain, and Germany have already imposed the embargo. Acting on the assumption that all the countries which have not already done so will at once make effective their non-intervention undertakings, the French Government have invited the Powers concerned to take part in further discussions on the subject.

It is reported from Paris that the suggestion has been put forward that a committee should be created which might sit in London on which all interested Powers would be represented, for the purpose of keeping one another fully informed of the measures taken by their Governments and to consider any fresh problems that might arise out of the situation.—Wireless through Reuter.

Italy Enforces Embargo

Rome, Aug. 28.

Italy to-day decided to enforce an embargo on the export of arms to Spain. Henceforth, the export or transit, direct or indirect, of war materials, warships, and aeroplanes to Spain and Spanish possessions, including the Spanish zone in Morocco, is forbidden. The embargo applies to all contracts in course of execution.—Reuter.

Minister to China Firm

Peiping, Aug. 28.

Senor D. Justo Garrido Cineros, Spanish Minister to China, has no

intention of following the example set by his colleague accredited to Tokyo, and others in many countries. "Political changes in Spain are not my concern," he told Domel. "I was ordered to China as Spanish Minister, and so I will remain until directed otherwise. As a diplomat, I have to obey my Government."

Senor Cisneros said he still kept in close contact with the Madrid Government.—Domel.

Changes Elsewhere

London, Aug. 28. Following the example of many of his colleagues in other parts of the world, Senor Lopez Olivan, the Spanish Ambassador in London, resigned to-day. He has only been two months in office.—Reuter.

Paris, Aug. 28. The civil war has healed an old-standing diplomatic breach between Spain and Russia. M. Rosenberg, previously Soviet Under-Secretary to the League of Nations at Geneva, reached Madrid to-day as Ambassador.—Reuter.

Mitigation of Horrors

London, Aug. 28. There is widespread support in the press for the efforts with which the British Government has associated itself for securing alleviation from both sides of the suffering inflicted by the civil war in Spain.

A telegram from the Foreign Secretary, Mr. Anthony Eden, to the British Ambassador, Sir Henry Chilton, expressed the urgent desire of the British Government to play its full part in any organized international effort which might result from the suggested approach to the Spanish Government and the leaders of the insurgent forces by the Diplomatic Corps.

If this approach succeeds, the "Daily Telegraph" wrote this morning, "it will do more good to Spain than any championship of either of the causes at death grips. Of all the horrors of the civil war, the worst is its mercilessness. Reprisal can only breed further reprisal, even more hideous, unless the voice of humanity bids both parties stay their hands."—Wireless through Reuter.

Non-Intervention Approved

London, Aug. 28. Approval of the principle of non-intervention in Spain was expressed in a statement issued to-day after a joint conference in London of the Parliamentary Labour Party, the General Council of the Trades Union Congress, and the National Executive of the Labour Party.

The statement, however, expressed regret that the embargo on the supply of arms to Spain had the effect of placing the insurgent forces and the democratically elected and recognized Government of that country on the same footing.

It emphasized the importance of the non-intervention agreements being applied immediately and loyally observed by all parties, and the desirability of their execution being effectively co-ordinated and supervised.

The statement then called upon all sections of British labour to give their fullest financial support to an international fund to provide humanitarian support to the Spanish people.—Reuter.

Soviet's Friendly Gesture

Madrid, Aug. 28. Opening by the Soviet Union of the first Russian embassy in Spain since the days of Czar Nicholas II, was seen to-day as a practical manifestation of Soviet friendship for the beleaguered Spanish government. The arrival of M. Marcel Rosenberg, the new Soviet Ambassador who resigned his position as Under-Secretary-General of the League of Nations to accept the post, was announced by the Foreign Office to-day and interpreted throughout the world as a moral encouragement to the loyalist forces in their struggle to crush the nation's military revolt.

Meanwhile an insurgent aeroplane flew over the city and apparently attempted to bomb outlying aerodromes, but inflicted no damage. The plane dropped a large number of leaflets warning that unless the city surrenders there will be a real bombardment by rebel aircraft.

In spite of the doubt which is generally expressed that the rebels would bombard Madrid, because of the undoubted bad effect on international opinion, the Government to-day announced the completion of plans for the aerial defence of the city. The plan calls for the use of a fleet of fast pursuit planes and the use of a system of sirens to warn the populace in the event of an attack. Meanwhile the trial of 28 rebel officers commenced at the city gaol to-day.—United Press.

Foreign Envoys Leave Madrid

Paris, Aug. 28. The Portuguese envoy to Madrid as well as the Columbian, Danish and Finnish diplomatic representatives have left the Spanish capital, according to a report received here. The Portuguese Minister intends to proceed to following the example set by his colleague accredited to Tokyo, and others in many countries. "Political changes in Spain are not my concern," he told Domel. "I was ordered to China as Spanish Minister, and so I will remain until directed otherwise. As a diplomat, I have to obey my Government."

SIXTEEN SOVIET PLOTTERS SHOT

Zinovieff, Kamenev, Fourteen Others Executed: Leon Trotsky's Comments in Norway

Moscow, Aug. 25.

Gregory Zinovieff and Leo Kamenev, who made history as leaders of the Bolshevik revolution, were executed this morning, with 14 other alleged counter-revolutionaries, on charges of conspiracy against the state.

The accused met their death before a firing-squad after the president of the Central Executive Committee had rejected their appeal for clemency. The condemned men were alleged, among other things, to have been implicated in the assassination in 1934 of M. Kirov, one of M. Stalin's chief lieutenants, and in a plot to murder the Soviet Dictator himself.—Reuter.

Trotsky's Comment

SPECIAL TO THE "N.-C. HERALD"

Oslo, Aug. 25. "One of the greatest crimes in history," was the comment made by M. Trotsky, the exiled Bolshevik leader, concerning the execution by a firing squad in Moscow to-day of Gregory Zinovieff, Leo Kamenev, and 14 other alleged counter-revolutionists.—Reuter.

Opportunity Missed

London, Aug. 26. "The Soviet Government has missed a particularly glorious occasion to show that while being strong it could also be generous," Sir Walter Citrine, chairman of the International Trade Unions Federation, declared yesterday.

"No one remembering that confessions were extorted from these men while they were in prison, and that they were subsequently denied the services of some independent lawyer, can be really satisfied with what happened," Sir Walter added.—Havas.

Secretary Arrested

Moscow, Aug. 26. Secret police to-day arrested the secretary of M. Karl Radek outstanding publicist of the Soviet Union and editor of "Izvestia." Comrade Tivel was accused of complicity in the assassination plot for which sixteen persons have just faced a Soviet firing squad.

The plot, alleged to have been instigated by M. Leon Trotsky, now in Norway, has implicated many people, at one time seeming to point the finger of suspicion toward M. Radek himself.—United Press.

Patna Also Arrested

Moscow, Aug. 27. Gen. Patna, Soviet Military Attaché in London, who recently was recalled is the latest to be charged with complicity in the so-called "Trotsky plot."—Reuter.

Trotsky Interviewed

Oslo, Aug. 27. "That bureaucrat Stalin has killed the Bolshevik party," said M. Leon Trotsky in a special interview with the United Press, carried on by telephone because guards would not permit M. Trotsky to receive visitors. M. Trotsky said that M. Josef Stalin, secretary-general of the Communist party of the U.S.S.R., the successor to the so-called "Bolshevik" party, represents the privileged ruling caste, and that M. Stalin "fears the people, who live in ever increasing misery."

He said he would leave for Alicante, from where he will embark for Lisbon.—Trans-Ocean Kuo Min.

Sculptress Killed

SPECIAL TO THE "N.-C. HERALD"

Oslo, Aug. 29. Miss Felicia Browne, 32-year-old London sculptress, was shot dead in Barcelona to-day while acting as a member of a night patrol, according to the Barcelona correspondent of the "News-Chronicle."

Miss Browne defied the order that British subjects should leave Barcelona, declaring that she was a Communist and able to fight as well as any man, and was immediately enlisted.—Reuter.

Foreign Proposals

Hendaye, Aug. 30. Four representatives of the Spanish Government and a like number of rebel delegates assembled in the same building at St. Jean de Luz, to-day, to hear proposals for the elimination of atrocities in the civil war in Spain. Diplomatic representatives of Italy, Germany, the Argentine, and Uruguay, from Madrid, are conducting the negotiations. Great Britain, France, and the United States are not represented, but are being kept informed of what transpires at the deliberations.

The first definite proposal is the creation of an International Committee of Ways and Means, but it is believed that arbitration between the belligerents is the eventual objective.—Reuter.

Hence Stalin is trying to stifle in blood all opposition. From now on all opposition will be called Trotskyist, and Trotskyism will be the excuse for terror. Death sentences will replace prisons and concentration camps."

The latest trial will not be the last of its kind, M. Trotsky said as he predicted a dark future for Russia. "There can be no stopping along this path. From now on trials will be of the greatest importance to the political life of the Soviet Union. The struggle between the people and the bureaucracy will become steadily sharper."—United Press.

Sensation in London

London, Aug. 27. The arrest of General Patna has caused a considerable sensation here, particularly in view of the circumstances under which it took place. Two days before General Patna was summoned to Moscow under the pretext that his presence was urgently required there at a military conference, the "Evening News" had published a report declaring that two members of the Gpu, the Soviet secret police, had searched all private correspondence and other documents of the staff of the Soviet Embassy.—Trans-Ocean Kuo Min.

Leon Trotsky "Interned"

Oslo, Aug. 29.

The Norwegian Minister of Justice has decided to "intern" the exiled Bolshevik leader, Leon Trotsky, and his wife.

It is stated that they will be confined to their present house until a new domicile can be found for them. Two of Trotsky's secretaries will be immediately expelled from Norway.

The reason given is that Trotsky has declined to accept the conditions imposed by the Norwegian Government when he sought permission to reside in Norway.—Reuter.

London Colony Panic-Stricken

London, Aug. 29.

Members of the Soviet colony are panic-stricken, according to the "Daily Herald," after learning that members of the O.G.P.U. (Soviet Secret Police) are staying in London. Each member of the colony fears, it is said, that he may be recalled from one day to the next, and such a "recall" is generally understood as forbidding dire consequences.

Following the announcement that the Soviet Military Attaché was asked to Moscow, it is now learned that the head of the Soviet Trade Delegation, M. Ozerski, left for Moscow a fortnight ago.

Tumours spread in London regarding the alleged "recall" of the Soviet Trade Representative Ozerski and his wife's subsequent disappearance were branded as fantastic and unfounded by a spokesman of the Soviet Embassy here to-day.

"Ozerski" the spokesman declared, "left London on one of his frequent business trips to Moscow, and is expected back here some time next week." Meanwhile, officials of the Soviet Trade Delegation affirm that their chief's wife, Mrs. Ozerski is still in London.

British political quarters here continue commenting on Moscow's recent execution of the sixteen alleged Trotskyists. The event created an extremely painful impression in leftist quarters. Comments of the Labour press show that the Labour Party is drifting ever farther apart from the Third Internationale and seems to endorse the attacks launched against it from the Right.—Havas.

Oslo, Aug. 29.

"We are going to find a more suitable place for Leon Trotsky in Norway," declared the Minister of Justice when questioned to-day concerning his decision to "intern" the exiled Bolshevik leader and his wife. In view of recent developments, he added, the Norwegian Government did not feel bound by the permission previously granted Trotsky to stay in Norway until December 18. If Trotsky could obtain a visa enabling him to leave Norway, he added, we should feel glad. Meanwhile, two of Trotsky's secretaries will be immediately expelled from Norway.—Reuter.

Oslo, Aug. 28.

Government officials to-day arrested two secretaries of M. Leon Trotsky after they had refused to obey an official order which commanded them to leave Norway. Police officials indicated that they would escort the two prisoners across the frontier.

The guard around the home of M. Trotsky was doubled to-day preparatory to his confinement in a fortress until the expiration of the time allowed him to remain within Norway. Telephone service to his

home was suspended and all letters censored.—United Press.

Trotskyist Purge in Soviet

Moscow, Aug. 28.

A Trotskyist purge centring on State banks, railways and publishing houses, was in progress here to-day. Galena Sere Briakova, wife of Gregory Sokolnikov, the Vice-Commissar of Foreign Affairs, was to-day directly accused of terrorism and counter-revolutionary activities. Several members of her salon, including the noted Soviet author, Tarasov-Rodionov, were also charged with "Trotskyism."

M. Sokolnikov was often mentioned as the likely first Soviet Ambassador to the United States previous to the appointment of M. Maxim Litvinov. In 1923 M. Sokolnikov and his wife had to return to the U.S.S.R. after they were well started on a visit to the United States because the State Department refused to grant them visas.—United Press.

Expulsion Demanded

Moscow, Aug. 29.

The Soviet Government to-day sent a demand to Norway for the expulsion of M. Leon Trotsky from the country. Harboring an organizer of terroristic acts may harm friendly relations between the U.S.S.R. and Norway, the demand stated.

The Writers Union to-day accused M. Afanogenov, the leading Soviet playwright, M. Gromsky, a former editor of "Izvestia," and M. Amalgobely, head of the State Dramatic Theatre, of being involved in counter-revolutionary activities under the direction of M. Leon Trotsky. Following the accusation, M. Amalgobely resigned his post with the Soviet Theatre. M. Bolinov, director of the Leningrad Pedagogical Institute, and three lecturers also were accused of sanctioning Trotskyism in lectures at the Institute.

The vice-president of the State Bank, M. Arkus, who already has been arrested, had a large sum of money available for distribution to the counter-revolutionaries. This was disclosed to-day. M. Glodovich, head of the art Commission, also was exposed as a Trotsky follower and expelled from the Communist Party.—United Press.

M. Trotsky To Stay

Oslo, Aug. 30.

Norway's refusal to accede to the demand of the Soviet Government for the deportation of Leon Trotsky, the exiled Bolshevik leader, was indicated to-day in a speech by the Foreign Minister, Prof. Halvdan Koht.

"The principle of asylum, he said, would be maintained by the present Government of Norway. 'We will not let ourselves be subdued in such matters by anyone,' he added.—Reuter.

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CHINA'S "FIGHT FOR INDEPENDENCE"

Dr. Hu Shih's Outspoken Comments at Conference of Institute of Pacific Relations

Yosemite, Aug. 24.

CHINA regards all peace machinery shattered and realizes that hereafter she must count herself alone. Dr. Hu Shih, Chinese delegate to the conference of the Institute of Pacific Relations, told assembled delegates here to-day.

Referring to the "three point programme" of the Premier of Japan, Mr. Koki Hirota, Dr. Hu said that apparently Japan's final objective was complete political control of China.

China, however, is determined to continue her fight for independence. Dr. Hu asserted, and is already laying the physical basis for national unification by means of railway construction, aviation, education and flood control.

"China's 100,000 kilometres of railroads enabled Nanking to suppress China's Red revolt, as well as the more recent Fukien rebellion," Dr. Hu said. "Only the future will show what are the real Sino-Soviet relations."

Mr. T. A. Bissan, a member of the Foreign Policy Association, declared that the best solution for China's problems would be an international arrangement whereby China might continue her reconstruction without the necessity of armed resistance.

China is undergoing a profound economic, social and cultural evolutionary process, Mr. George F. Taylor, research expert, informed the delegates at the conference, but has no fore-ordained destination except to create widespread international complications.

"The rate of progress of China's reconstruction," Mr. Taylor said, "has been extremely uneven. There has been no succession of plans, as in Russia, leading to a pre-arranged conclusion. China's course of action is fashioned more by events than any other single factor. The great changes in the sphere of political rehabilitation have not been balanced by far reaching economic construction."

Political Unity

"The state of dualism within the government of China," Mr. Taylor continued, "does not make for rapid progress, but China is one country politically, and the organs and symbols of the Central Government's power, national armies, national banks, internal revenue collection machinery, and flying fields in all the big cities, bear witness to the change and progress in the country."

Mr. Taylor said that it was obvious that "the new structure has widespread international implications and its permanence depends largely on policies and events outside China."

A study of China's new monetary policy was presented to the Institute by Dr. W. Y. Lin, currency expert for the National Economic Council. Mr. Leonard G. Ting discussed recent developments in the cotton industry in China, drawing attention to the serious competition which Japanese mills were offering native owned enterprises.—United Press.

Japan's Aid Refused

China will accept aid for national reconstruction from any nation except Japan, Chinese delegates to the conference told the assembled representatives in flat terms.

In rebuttal, the Japanese delegates insisted that China's only hope for the future was through unification and reconstruction, while Japan's only desire was to co-operate. Chinese delegates replied that Japan had "pumped" the idea of "co-operation" into the Chinese to the point where it was no longer understandable.

A delegate for the United States asserted that although the United States respected China's sovereignty, consideration had also to be made for the "most favoured nation clause" which forced China into a series of international treaties which infringed upon her sovereignty.

Chinese banks in Canada have advanced \$500,000 Mex. toward the reconstruction of China, the Chinese delegates estimated to-day. They insisted, however, that Japan would not allow China to negotiate loans with foreign countries. The Chinese delegates declared that in the future political concessions or foreign management of the affairs of China would not be permitted in return for foreign loans.—United Press.

Interneine Struggles

Yosemite, Aug. 25. After demanding that the Institute of Pacific Relations meet in plenary session so that they might answer charges of Chinese delegates made yesterday that Japan was attempting to gain complete political control of China, the Japanese delegates to the convention here to-day assumed a moderate tone in their rebuttal.

Mr. Kenkichi Yoshizawa, a Japanese delegate to the convention to-day admitted that he "realized that in retrospective, Japan's actions toward China were not always correct."

China can only be re-constructed, however, through the co-operation of

all nations, Mr. Yoshizawa said, and the establishment of better Sino-Japanese relations was the first step.

Japan's position relative to Chinese reconstruction," Mr. Yoshizawa continued, "is due to geographical proximity and racial affinity. I deeply regret that difficulties arise relative to our efforts to re-establish former friendly relations and to promote Chinese progress."

"Up to 1928 China was torn by civil wars," the Japanese delegate reminded the assembled delegates. "When Manchuria and Nanking united, China's unification was complete, but this did not last. China again faced internecine struggles the same as previously under the war lords. With the downfall of the Cantonese leader, General Chen Chi-lung several days ago, Canton and Nanking were again united. Thus, it is plain that Japan is no obstacle in the way of China's unification."

Mr. Yoshizawa said that when the Washington Conference "undertook to assure Chinese integrity via the nine power treaty, Japan led the movement. Since then China has repeatedly raised her tariffs and violated treaty obligations toward Japan, especially the protocol of 1905 prohibiting the construction of parallel railroads in Manchuria."

"This led to the 1931 incident," Mr. Yoshizawa continued, "Chinese efforts against Japanese lives, property and interests have continued unabated, while Chinese in Japan are treated with every consideration. I do not think Japan always acted correctly in the past, but China was not always right either. Hence, the ill feeling."

"And consequently, too," said Mr. Yoshizawa, "the right feeling can only be re-established after a long period of right relations and a more conciliatory attitude by both parties. I feel that the best means of doing this is for China to change her attitude and co-operate with Japan. I am convinced that peace and stability are only attainable when all of us courageously face the stark realities."—United Press.

Financial Benefits

Yosemite, Aug. 26. More than \$600,000,000 was spent by the United States in pursuing her Far Eastern policy during 1935, Mr. Frederick Field, Secretary of the American Council, to-day told delegates to the Institute of Pacific Relations now in session here. Maintenance of a navy large enough to offset the Japanese threat, Mr. Field said, accounted for the greater part of the expenditure.

The financial benefit to the United States from the Far Eastern policy, however, amounted to only \$84,000,000 in 1935, Mr. Field asserted, most of this from trade and investment in Japan.

"The policy of the United States decidedly does not pay in terms of actual economic return," Mr. Field told the delegates. "However, there are also important non-economic aspects to American policy which are not to be judged by financial balance sheets. The navy is the instrument directed against the Country bringing us much the largest financial return. It is no secret that the American Navy is maintained in the Pacific vis a vis Japan alone."

The expenses of the army in foreign service in the Orient, Mr. Field said, added millions of dollars to the cost of America's Far Eastern policy.—United Press.

Peace in Far East

Institute of Pacific Relations delegates to-day began efforts to establish peace machinery for the Pacific area, as the plenary session of their annual conference began.

"War in the Far East would bring up the danger of tragedy of unparalleled force throughout the world," said Mr. James G. MacDonald, an American delegate. "The Washington conference failed because the treaties did not consider the changing status of the Orient," he added. "There are three fundamental principles which must be recognized before we dare hope to look for peace in the Orient," he concluded. "First, we must recognize Japan's special position which exists because of her geographical proximity. Second, China must determine to maintain her own independence. Third, Japan must recognize that other countries will not give up their Oriental interests."

The weakening power of the United States and Great Britain in the Far East is the principal cause of the

present situation, said Mr. J. W. Dafoe, of the "Winnipeg Free Press," and delegate from Canada. "Both nations are powerless in the Far East," he claimed. "Great Britain is loath to recognize the fact, but the United States is more realistic." Mr. Dafoe favoured a system of collective security under the Kellogg Pact, which would bind the nations to give up war as an instrument of national policy.

Mr. H. J. Van Mock, a delegate from Bavaria, favoured direct negotiations among the powers concerned, especially between Japan and China. He would also favour conferences held under the auspices of the League of Nations.

Prior to the round-table discussion Japan's delegation proposed a conference for the revision of the Nine Power Treaty, which was one of the treaties concluded during the Washington conference in 1922, guaranteeing China's territorial and administrative integrity. Japan's delegate asserted, preferred to have the treaty revised under the Kellogg Peace pact rather than the League of Nations. Since the Nine Power Treaty was negotiated, Japan argued, the growing power of the U.S.S.R. has created a new situation in the Pacific area.

Disarmament Conference Urged

Reaffirming the traditional French policy of collective security, the former premier, M. Albert Sarraut, spoke at the plenary session of the conference. He said that the League of Nations had failed to halt the Ethiopian war because of a lack of unity in applying the provisions of the agreement of the nations, rather than because of a lack of strength. An international disarmament conference is inevitable, he added.—United Press.

A Warning Issued

Yosemite, Aug. 27. Sir Frederick Whyte, warned the Institute of Pacific Relations meeting here to-day, that eventual Japanese penetration of the Philippines possibly would lead to grave Anglo-Japanese complications in view of the implied threat to Singapore.

"The moment will come when Japanese interests will conflict with the Filipino domestic policy. Japan will then declare that her interests are imperilled by political interference, or the incapacity of the Filipino Government to protect legitimate foreign rights," Sir Frederick declared. "Then no longer will British Dominions in the South Seas be able to congratulate themselves that the pre-occupation of Japan in northeast Asia gives them a feeling of security."—United Press.

A Lively Exchange

Yosemite, Cal., Aug. 27. Japanese delegates to the annual conference of the Institute of Pacific Relations to-day rejected a suggestion that Japan submit the Nine Power Treaty to the interpretation of the Permanent Court of International Justice at the Hague.

No nation in the world, the Japanese delegates asserted, would accept the verdict of any tribunal on a life-and-death matter. They insisted that a special conference should be called for the revision of the Nine Power Treaty.

The suppression of foreign postal systems in China, the Japanese declared, was the only clause of the Nine Power pact which had been fulfilled up to the present time. The clause requiring a decrease in the strength of the Chinese armies has not been carried out, the Japanese said, nor had the clause relative to the gradual abolition of foreign concessions in China been made effective.

The fact that a large number of other questions had arisen since the advent of the Soviet Union as a Pacific power which did not exist when the treaties affecting China made it necessary, the Japanese speakers at the conference said, for a new conference to be held, giving long study to each question involved.

Soviet-Japanese Clash

Delegates from Japan and the U.S.S.R. clashed here to-day during a round table discussion conducted by the Institute of Pacific Relations, now in session here. The dispute arose when Japanese delegates demanded to know whether it was not a fact that Soviet forces in Eastern Asia exceeded in numbers the entire Japanese army. The Soviet delegates admitted the likelihood of such a statement, but declared that exact figures were not at their disposal. They indicated that they would attempt to secure the figures and report to the Institute at a future meeting.

Both the Japanese and Soviet delegates insisted to-day that the size of their respective armies was purely for defensive purposes.

A British delegate to-day proposed a regional security pact in the Pacific, with military and economic sanctions similar to the plan presented at yesterday's session by M. Albert Sarraut, former Premier of France. The remainder of the British delegation failed to support the suggestion, however.

The institute decided to-day that the League of Nations' one weapon for the preservation of peace—economic sanctions—must be universally and immediately applied to be useful.—United Press.

Britain's Blunt Warning

Yosemite, Aug. 28. A blunt warning that if Japan forces an international naval building race Great Britain will, regardless of expense, maintain the present ratio of 5-to-4 between the British and Japanese fleets and may even increase it to 2-to-1, was voiced at the Institute of Pacific Relations conference here to-day by members of the British delegation.

Great Britain, the delegates emphasized, was unwilling to engage in a naval construction race, and was ready to let matters remain in status quo, even without Japan's adherence to an international pact, but the representatives made it clear at the same time that the British Government had no intention of allowing the present 5-3 ratio among the United States, Great Britain and Japan to be disturbed by any action of the latter power.

The Japanese, however, took no cognizance of the British warning at to-day's session, and confined their attention to problems directly affecting the Pacific area. Japan, they announced, will negotiate a new regional pact for the Pacific, provided she is allowed to settle Chinese questions through direct negotiations with the government of China.

Not Well Received

A defeatist element of considerable proportions, however, developed at to-day's session of the Institute delegates, many of those in attendance insisting that a regional pact in the Pacific is impossible of accomplishment, inasmuch as it is felt that Japan would probably insist on the status quo in the Orient being accepted as a basis for such an agreement, while China would undoubtedly insist on a return to the situation which prevailed before the acquisition of Manchuria and Jehol by the Japanese.

Chinese delegates to-day insisted that all question of a Russo-Japanese war must be eliminated before the negotiation of such a regional pact can be undertaken. The Chinese representatives, it was noted, did not mention Manchukuo, and the omission was interpreted as an indication that the Manchurian problem is regarded by China as capable of solution.

M. Motylev, a member of the Soviet delegation, said to-day that he was convinced that political conditions in the Pacific area were at present unfavourable to the execution of a pact, but he insisted that the Soviet Union was setting up no obstacle to negotiation of such a treaty. Elements making for war are at present preventing action by the friends of peace, M. Motylev said, and among the elements he included the international press.

Nine Power Treaty Failure

Failure of the Nine Power Treaty was laid at the door of the U.S. to-day by French delegates. The accusation was made by the French delegates to the round-table session this morning.

The United States was responsible for the failure of the pact to prove effective, the French delegation asserted, because it refused to accept the principle of enforcement of the treaty by means of sanctions, at the Washington conference of 1922.

The pact, the French representatives insisted to-day, is still valid and constitutes a regional agreement to which force should be given by the addition of sanctions, subsequent to incorporation of the principle into a world-wide pact similar to the League of Nations Covenant.

The American delegates to the conference emphasized to-day that the United States was already being drawn into recognition of the principle of consultation to prevent war. This was illustrated, the American delegation pointed out, by participation of the United States in the 1935 Argentine peace pact.

The Japanese representatives at the Institute deliberations modified their position with relation to the Nine Power Pact, and all delegations admitted that if the world reached a state where treaties were no longer valid, collective security would be impossible. The Japanese insisted, however, that they had not repudiated treaties, but said that a revision of the Nine Power Treaty in the light of present-day events was necessary.—United Press.

"No Sanctionist Measures"

Yosemite, Aug. 30. Japan is opposed to the idea of including sanctionist measures in any new pact replacing the Nine Power Treaty on China, Mr. Kenkichi Yoshizawa, a former Japanese Minister to China and ex-Foreign Minister of Japan, declared to-day at the conference of the Institute of Pacific Relations. The suggestion made by some delegates that a pact with

"teeth" be concluded to replace the Nine-Power Treaty was strongly opposed by Mr. Yoshizawa.

"It is suggested that such a new pact be based on sanctions," Mr. Yoshizawa said. "I wish to recall, however, and to draw your attention to the difficulties experienced by the League of Nations when the question of sanctions was brought to the fore in connection with the Italo-Abyssinian dispute. I think that Japan would view the question of sanctions with certain inquietude."

Mr. A. V. Alexander, a former First Lord of the Admiralty, a delegate from Great Britain, said that durable peace is impossible unless adequate measures to assure collective security are adopted.

M. Motylev, from the Soviet Union, said—"What would be the world situation if, instead of the Soviet Union, imperial Russia were still here to-day? Is it not evident that the system of Socialism in the Soviet Union precludes all desire for expansion or aggression, and, accordingly, that the Soviet Union is the author of peace in the world?"

M. Albert Sarraut, a former Premier of France, declared—"Here in Yosemite Park, man is not allowed to take the life of any creature. What a beautiful thing it would be if such an interdiction could be applied to the entire world!" M. Sarraut concluded by stating that he never believed an accord between the Occident and Orient was impossible.—Havas.

Heavy Pressure

Yosemite, Cal., Aug. 30. Japan's reaffirmation of the Asiatic Monroe Doctrine was regarded here to-day as the most concrete outcome of the two weeks' session of the Institute of Pacific Relations, according to opinions voiced by high Institute authorities.

Throughout both the round-table discussions and the private conferences, it was admitted to-day, delegates from Great Britain, the United States and the U.S.S.R. placed heavy pressure on Japanese delegates in an effort to induce them to state the minimum limits within which Japan would be willing to confine herself in the Orient, but without receiving a satisfactory answer. As a result of the failure to receive any definite statement from Japan, delegates from several countries who came to the conference prepared to concede recognition of Manchukuo, abandoned that intention to-day.

Japan's recognition of the Soviet Union's policy toward her in the Pacific, and the Soviet Union's recognition of Japan's policy toward the U.S.S.R. in the Pacific, were thought to-day to be the two most significant results of the Institute conference.

At the final plenary session of the Institute meeting to-day Mr. Kenkichi Yoshizawa, former Japanese Minister to China and ex-Foreign Minister of Japan, asserted that the problems in the Pacific could never be settled to the satisfaction of all nations.

"We have found the problems in the Pacific too great for solution to the satisfaction of all nations," Mr. Yoshizawa told the assembled delegates. "The relationships between the various nations are becoming more and more strained and will lead to serious consequences unless we find some means for checking present trends."

Mr. A. V. Alexander's Views

Mr. A. V. Alexander, former First Lord of the British Admiralty, was no more optimistic in his outlook for the future in the Pacific.

"The shadow of impending war is real," Mr. Alexander said. "I personally prefer diplomacy to navies in the promotion of good will."

"If the United States would resume the role of gold again and become a creditor nation," M. Etienne Denery (France) told the convention on behalf of M. Albert Sarraut, former Premier of France, "foreign trade would be improved. Bilateral treaties and collective security are admittedly the only means for maintaining peace in the Pacific."

At the election of officers to-day, the Institute chose Mr. C. F. Dafoe, editor of the "Winnipeg Free Press," as chairman. Dr. Hu Shih, of the Chinese delegation, Mr. Ishii, Japanese delegate, and Mr. Ray Lyman Wilbur, president of Stanford University, were elected chairmen.

Mr. Newton D. Baker, former U.S. Secretary of War, was chosen treasurer of the Pacific Council, and Mr. Edward C. Carter was elected secretary-general.—United Press.

DR. LIN YU-TANG IN U.S.

San Francisco, Aug. 27. Dr. Lin Yu-tang, the Chinese author, arrived here to-day aboard the Pres. Hoover. Dr. Lin was en route to Princeton, N. J., where he may join the university faculty. He also intends to complete another book while at Princeton. Dr. Lin's wife and three daughters are accompanying him to the east.—United Press.

DR. H. SCHACHT VISITS PARIS

Talks With M. Blum and Other French Officials:
Discussion of Financial Questions

Paris, Aug. 28. Much speculation has been aroused in Germany by the visit to Paris of Dr. Hjalmar Schacht, head of the Reichsbank and German Minister of National Economy, who was the guest of honour at a luncheon given to-day by M. Labeysrie, Governor of the Bank of France. The luncheon was attended by M. Leon Blum, the Premier, and M. Delbos, the Foreign Minister.

Economic and political circles in Berlin expect that the visit to Paris of Dr. Schacht will result in an improvement in economic and political relations between France and Germany, as well as the international position.—Reuter.

French Communists Protest

Paris, Aug. 27. A letter protesting against the welcome extended by the French Government to Dr. Schacht was sent yesterday to the Premier, M. Leon Blum, of France by M. Maurice Thorez, Secretary-General of the French Communist Party.

"At a moment when Hitler is speeding up the armaments race, seriously threatening France's security and the peace of the world, it seems to us not conformant with our people's dignity and with the cause of peace that particular honour be rendered Dr. Schacht," the Communist leader wrote.

In reply the Premier assured M. Thorez that "the Government of the 'Front Populaire' will never allow any prejudice to France's dignity and will take all the necessary measures to guarantee the country's security. Yet," M. Blum added, "the Government is also conscious that the will for peace is one of the forms of French dignity and that the organization of peace is one of the conditions of French security. This is why the Government does not lose at any time its hope for the maintenance of peace and does not reject conversations which might in the end facilitate the general settlement of European problems be it on the economic, financial or political plan."

Meanwhile, absolute discretion is being observed both on the French as well as on the German part, concerning the gist and the scope of the conversations conducted in Paris between Dr. Schacht and members of the French Government.

Yesterday the German statesman was the guest at a dinner given in his honour at the German Embassy. MM. Yvon Delbos, Foreign Minister, Vincent Auriol, Minister of Finance, Charles Spinasse, Minister of National Economy, and Paul Eastid, Minister of Commerce were present. The fact that several high Quai d'Orsay officials were among the guests, is regarded here as an indication that political questions were discussed on the occasion, along with economic and financial problems concerning the two countries.—Havas.

German Hopes

Berlin, Aug. 27. The hope that an improvement in Franco-German relations may result from the conversations now being conducted in Paris by Dr. Schacht, is expressed by the "Berliner Tageblatt" in its yesterday's issue.

Commenting on Dr. Schacht's journey in the French capital, the paper expresses the view that it would be of little use to convoke the League conference of the five Locarno powers in October, unless the serious differences of view existing among these powers were ironed out first.

Dr. Schacht's visit in Paris is generally followed with great interest by political quarters here, who stress with satisfaction the excellent reception accorded the statesman in France. They also recall the recent journey to Berlin by the Governor of the Banque de France, M. Emile Labeysrie, which was regarded at the time as a sign that the restrictions hampering trade between the two countries, might shortly be attenuated.

Germany, it is said here, believes that the ever increasing subordination of world economy to foreign policy of various states, is an abnormal phenomenon, but that it is still possible to pave the way to political compromises through economic rapprochement.—Havas.

France Reassured

Paris, Aug. 27. Authoritative German sources declare that Dr. Hjalmar Schacht, head of the Reichsbank and German Minister of Economy, sought in his talks with M. Blum, the Premier, and other French officials, to ally French anxiety concerning the new Germany military decree,

Dr. Schacht, it is stated, explained that the object of the military measure was simply protection in view of Soviet Russia's massive rearmament and foreign policy.

It is understood that the Reichsbank head cited statistics to show that figures published in the press here concerning the strength of the new Germany Army were grossly exaggerated.—Reuter.

Return to Berlin

Berlin, Aug. 29. Reports that political problems had been discussed by him with members



Dr. Hjalmar Schacht

of the French Government in the course of his just-completed journey to Paris, were emphatically denied by the Reich Minister of Economy and Reichsbank Governor, Dr. Hjalmar Schacht, in the course of an interview he granted yesterday to the press before boarding the plane for Berlin, where he landed last night.

Dr. Schacht declared that only economic and financial questions were discussed and ridiculed the report saying that he had suggested to the French Government to cancel the Franco-Soviet mutual assistance pact.—Havas.

Reports Denied

Vienna, Aug. 29. Chancellor Kurt von Schuschnigg to-day denied that the Austrian government was contemplating participating in the creation of a new bloc of central European powers. Austrian policy, he insisted, remains based on the Rome Protocols of March 17, 1932, complemented by agreements on March 24, 1936.

These protocols guarantee the independence of Austria, and provide for co-operation, chiefly in the economic field, between Austria, Hungary and Italy.—Havas.

WELL-KNOWN EDITOR RESIGNS

Mr. Lorimer Ends "Saturday Evening Post" Career

Philadelphia, Aug. 28.

Mr. George Horace Lorimer to-day resigned his positions as chairman of the Curtis Publishing Company and editor of the "Saturday Evening Post." Mr. Lorimer will be succeeded by Mr. Wesley P. W. Stout as chairman of the publishing company and editor, but will retain his directorship on the board of the Curtis Company.

Mr. Lorimer was the first American editor to cross the million circulation mark, for which he was acclaimed one of the most striking figures in American periodical literature. Between 25,000 and 30,000 manuscripts were submitted to Mr. Lorimer each year. He was quoted as saying many times:—"Writing is like religion. Every man who feels the call must work out his own salvation. I might add that while many are called, few are chosen."

The success of many American writers resulted from training and encouragement by Mr. Lorimer. He gave Emerson Hough his plots in the "Covered Wagon" and "North of '36," both of which he helped to exploit.

Mr. Lorimer was elected first vice-president of the Curtis Publishing Company in 1927, and chosen president in 1932. In December, 1934, he resigned the presidency to become chairman of the board which he held till his resignation to-day.—United Press.

THE FRANCO-POLISH ALLIANCE INTACT

Poland Not Considering Any Change in Policy

Vienna, Aug. 30. Gen. Rydz-Smigly, the Polish Premier, left here to-day with his suite for Paris. In commenting on the Premier's trip, the Polish press emphasizes that it has no unusual significance.

According to Warsaw papers, Gen. Rydz-Smigly's visit, just as the recent one of Gen. Gembelin, Commander of the French Army, to Warsaw, has military significance only within the cadre of purely bilateral relations between Poland and France. It is denied that the date for this trip has been advanced, owing to unexpected circumstances, it having been set a long time ago so as to coincide with the French autumn manoeuvres.

Rumours that Poland is considering a change in her foreign policy also are stoutly denied. It is pointed out that Poland has a permanent foreign policy, in which her alliance with France is the chief factor. The "Kurier Codzienny" states that the permanent Franco-Polish alliance "remains intact."—Havas.

REFORMATION OF THE LEAGUE PROPOSED

Mutual Assistance Pacts Emphasized

Geneva, Aug. 28. Maxim Litvinov, Foreign Commissioner of the U.S.S.R., to-day addressed a note to the League of Nations, opposing the proposed revision of the League of Nations Covenant as a result of the Ethiopian fiasco. He suggested an eleven-point programme by which the punitive procedure would be strengthened.

A mandatory meeting of the council would be held, he suggested, within three days after war had begun against a member of the League. Within three days after convening, the Council should have established the facts. Council decisions would be adopted when approved by three-fourths of the membership.

In the event that the council did not act against the aggressor, the fact that action had been taken quickly would not prejudice immediate mutual assistance on the part of those nations interested. Furthermore, members failing to participate in the sanctions the council adopts could be subjected to discriminatory customs and other commercial measures.

M. Litvinov suggested that the League of Nations formally recognize mutual assistance pacts, which would aid security within the League framework. He added that the plan could be carried out through an assembly resolution or by signing a protocol.—United Press.

The Argentine Reply

Geneva, Aug. 28. The Argentine League of Nations delegate, Senor Ruiz Guinazu, to-day handed the reply of his government on the League reform plans to the League Secretariat.

Although the note will not be published before to-morrow, it is learned that its contents are essentially as follows: The League of Nations should be made as universal as possible by permitting certain non-member states, whose co-operation is essential, to return to the League. Like Uruguay, the Argentine demands that the League should be made more "democratic" and that the special privileges enjoyed by certain member states of the League Council should be abolished. The Argentine reply moreover demands that certain clauses of the Covenant, which proved ineffective or unapplicable, should be modified. Articles X and XVI particularly should be brought into accordance with each other and the League Covenant itself should be brought into conformity with the Kellogg and Buenos Aires pacts, the latter of which—it will be recalled—provides for the non-recognition of any annexation of territory by force.—Trans-Ocean Kuo Min.

COMMUNISTS ARRESTED IN POLAND

Warsaw, Aug. 28. The political police here for some time past have been carrying out a determined drive against communist cell organizations. It is announced to-day that a further number of 72 agitators has been arrested in course of to-day and that searches are going on day and night, especially in the Jewish quarters. It is declared that the action is but the beginning of a campaign to stamp out Marxist underground activities.—Trans-Ocean Kuo Min.

LIBERAL CABINET FOR RUMANIA

M. Titulescu is Replaced as Foreign Minister

Bucharest, Aug. 30. A sensation has been caused here by the fact that M. Nicholas Titulescu, who has directed Rumanian foreign affairs since 1922, has not been included in the third Tatarescu cabinet, formed yesterday. Most of the new ministers who were in the last government are Liberals, and the Premier, M. George Tatarescu, is said to be in complete accord with the policies espoused by Professor Bratianu, leader of the Liberal Party.

The latest information is to the effect that the new government will be invested with practically full powers for the repression of all movements of force in the country, whether they come from the right or the left. As to the foreign policy, despite the change of Ministers, the Premier has indicated the firm will of the new government to effect no change in the traditional foreign policy of Rumania.

The composition of the cabinet follows:—

Premier—M. George Tatarescu, Vice-Premier—M. Jan Inculcu, formerly Minister of Interior,

Foreign Minister—M. Victor Antonescu, Finance Minister in the outgoing government,

Minister of the Interior—M. Iuca, Minister of Finance—M. Cancicov, Minister of Justice—M. Juvra.—Havas.

NEW OUTBREAK IN PALESTINE

British Troops Ambushed: Constable Killed

Jerusalem, Aug. 28.

Despite the reported decision of the Arabs to suspend the strike and all acts of violence, several untoward incidents occurred this morning.

The most serious of these was the ambushing of a party of British soldiers by Arabs on the plain of Esdraelon, between Nablus and Nazareth. One soldier was killed, another died later of his wounds, while three were injured.

This incident followed the death by shooting of a young Jewish secular constable in the outskirts of Jerusalem and an Arab in the Jewish quarter. In the case of the Arab, however, the assailant was arrested. He was captured by a Jewish passer-

ATLANTIC MARK SHATTERED

Blue Riband Captured by the Queen Mary

London, Aug. 31. The Queen Mary, pride of the Cunard-White Star's fleet, has wrested the Blue Riband of the Atlantic from the French liner Normandie.

In a record west-to-east crossing, the British liner achieved an average speed of 30.63 knots compared with the Normandie's 30.31 knots.

The Queen Mary passed Bishop's Rock, Scilly Isles, at 8.12 last night, having taken three days, 23 hr. 57 min. for the crossing from Ambrose Light.

This was three hr. 31 min. less than the time taken by the Normandie when she broke the record.

The Queen Mary now holds the record for both the west-to-east and east-to-west crossings.

On her last voyage to New York, she averaged 30.01 knots compared with the Normandie's record average of 29.94 knots.

The Queen Mary's run for the 24 hours ending at noon to-day was 712 miles, at an average speed of 30.96 knots.

She had then covered 2,708 miles at an average speed of 30.68 knots compared with the Normandie's 30.31 knots.

Sixth Trip

In recapturing the Blue Riband for Great Britain, the Queen Mary has accomplished this feat after almost exactly seven years.

It was on August 17, 1928, that the German liner Bremen won the honour, which was previously held by the Mauretania for the record period of 21 years.

After that, the Blue Riband was held successively by the Europa, the Bremen for the second time, the Italian liner Rex and then the Normandie.

The Queen Mary captured the coveted trophy on her sixth trip across the Atlantic.

The British liner, which is carrying 1,500 passengers, calls at Cherbourg in the early hours of this morning and is due at Southampton at noon.—Reuter.

Mr. Wilmarth Ickes, foster son of Mr. Harold L. Ickes, U.S. Secretary of Interior, shot and killed himself on Aug. 31 in his father's home in the suburb of Winnetka, according to a police report.

by, who handed him over to the police.

For the first time in many weeks steel-helmeted police patrolled the streets to-day, both in lorries and afoot.—Reuter.



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MOSCOW-PRAGUE AIR LINE SUSPECTED

Not Suitable for Commercial Purposes, Say Germans

Berlin, Aug. 27. The opening of the new air line between Moscow and Prague, which is planned for September 1, causes the German press to comment that a single glance at the map is enough to convince anybody that the inauguration of this new service is hardly due to commercial considerations alone.

The papers point out that not only are the meteorological conditions along the new route extremely unfavourable, but that the route itself, which follows the Carpathian mountains in a broad sweep for several hundred kilometres, is hardly suitable for commercial flying.

The plan to organize a "commercial" line between Moscow and Prague dates back to 1935, when the Czechoslovakian-Soviet Russian mutual assistance pact was signed.

The route is about 2,500 kilometres long and the flight will require about 14 hours. The director of the Czechoslovakian airlines is stated to have arrived at Moscow yesterday with a large staff in order to arrange details for the operation of the service.—Trans-Ocean Kuo Min.

MISSING AIR LINER FOUND

Horsa and Passengers Safe in Desert Settlement

Baghdad, Aug. 30. After a widespread search, in which the British Navy participated, the Imperial Airways flying-boat Horsa, which failed to locate the aerodrome while en route to Bahrain, on the Persian Gulf, from Basra, and disappeared, was found by the Royal Air Force to-day at Doha, 40 miles south of Salwa Wells, on the coast of the Arabian desert. All the passengers and crew were safe and well, and the plane, one of the Hannibal class, apparently not damaged. It had, however, run out of fuel.

The scene of landing was the flat, sandy coast of Qatar Peninsula, which has a few permanent settlements scattered many miles apart. As far as is known, the following passengers are aboard the missing planes. Miss Jane Wallace-Smith, for Brisbane; Lieut.-Col. H. Stott and Lieut.-Col. Stevenson, for Karachi; Major R. L. Penrose-Welsted, for Delhi; Messrs. A.C.P. Devereux, A.W. Tilly, and F.G. Cromcombe, for Karachi; Mr. R. C. Crocody, for Calcutta. Lieut.-Col. Stott is attached to the Royal Army Medical Corps serving in India; Lieut.-Col. Stevenson and Major Penrose-Welsted, are Indian Army officers.—Reuter.

PILOT FOUND GUILTY OF NEGLIGENCE

SPECIAL TO THE "N.-C. HERALD"

London, Aug. 27. Flying-Officer G. K. Horsey, a naval lieutenant, who was involved in an accident while flying above the French liner Normandie on June 22, was found guilty by a court martial of culpable negligence in the charges brought against him. He was deprived of 14 months seniority and given a severe reprimand.

Accused pleaded "not guilty" to charges of damaging aircraft and causing risk to the lives of the people aboard the Normandie and other ships by negligent flying.

The Normandie was transferring passengers and cargo to tenders on June 22 when a wing of the seaplane struck a derrick lifting a motor car. The car crashed to the liner's deck rails, resting half on board and half out, but the plane, by marvellous luck, came to rest upright on the forecastle deck. No one was injured, and the Normandie carried the damaged machine to Havre.—Reuter.

RED M. P. REFUSED ENTRY TO U.S.

Washington, Aug. 27. Mr. Cordell Hull, Secretary of State, to-day refused to permit Mr. William Gallacher, Communist member of the British Parliament, to enter the United States.

Permission was refused because of Mr. Gallacher's political beliefs. Mr. Hull declared that Mr. Gallacher was a well-known member of the Executive Committee of the Communist International, "a position which brings him within the excluding provisions of the immigration law."

Mr. Gallacher, who represents the West division of Pife in the House of Commons, has announced his intention of travelling in Canada.—Reuter.

EX-HEIR TO SPAIN'S THRONE NEAR DEATH

Doctors Battling for Life of Count of Covadonga

New York, Aug. 28. The condition of the Count of Covadonga, the former Prince of Asturias and heir to the Spanish throne, was in serious condition here to-day as bleeding which began yesterday continued uncontrollable. The flow of blood started after an operation performed at a local hospital to remove a small cyst from the Count's hip, and not from the lancing of a boil as reported in some quarters.

The Count's personal physician is in constant attendance, and considerable concern is felt for the patient's life in view of his well-known inheritance of haemophilia.

Last February while in Cuba the Count was stricken with an internal hemorrhage, and for several weeks his life was despaired of. He rallied, however, and under the influence of several transfusions, recovered. His wife, the former Senorita Edelmira Sampedro-Ochoa, to marry whom he renounced his title and claim to the Spanish throne, was with him constantly at the time. To-day, however, she was in Cuba while her husband lay in a New York hospital. In June she announced her intention of seeking a divorce from the Count, and in early July he answered the announcement by actually filing suit for annulment in the courts here. He alleged that his wife violated a pre-marriage contract under which she agreed to live in the United States and care for his delicate health.—United Press.

AMERICAN WOMAN IN POLAND GAOLED

Charge of Smuggling Money Put Forward

Ostrow, Aug. 24. Summarily tried on charges of smuggling currency from Poland, Mrs. Frederick Atkinson, an American citizen of Minneapolis, Minnesota, was to-day sentenced to one year in gaol.

Her daughter, Mary, 23 years old, explained that they were on their way to the International Congress of University Women at Cracow when a tyre blew out. They decided to return to Breslau to effect repairs. Guards searched the baggage at the border, and the Atkinsons were held on the basis of a letter of credit which the authorities had previously ignored.—United Press.

Mrs. Atkinson Released

Warsaw, Aug. 25. Mrs. Frederick Atkinson, an American citizen of Minneapolis, Minn., who was sentenced to one year in gaol here yesterday on charges of smuggling currency from Poland, was released by Government officials to-day.

The consul-general for the United States at Warsaw, Mr. Thomas Bevans, appealed to Polish authorities to reconsider Mrs. Atkinson's case.—United Press.

SCPIO'S MAILS TO BE SALVAGED

SPECIAL TO THE "N.-C. HERALD"

London, Aug. 24. The Post Office announced to-day that it hoped that most of the air mail carried by the ill-fated Imperial Airways airliner Scpio would be salvaged and forwarded to London for delivery as soon as possible.

The Scpio, the largest craft of its kind operating on the British route, was sunk last Saturday by a rough sea while alighting in Mirabella Gulf, Crete, while en route to Brindisi from Alexandria.

Two of the seven passengers, Mr. P. A. C. Forbes and Lieutenant R. F. Wilson-Dixon, were killed, while the crew of four and the other passengers were slightly injured.—Reuter.

TAX SUIT FILED BY U.S. OIL COMPANY

San Francisco, Aug. 25. Gordon Allen, Ltd., Oakland soap manufacturers, filed suit to-day seeking a refund of \$7,353 paid in processing taxes on vegetable oils imported from the Philippines.

The company charged that the act imposing the tax was illegal because the Philippines were not at present a possession of the United States, and furthermore that the tax applied only to interstate commerce. It further said that the tax was intended to regulate production in the United States, but had resulted in favouring local over foreign oils.—United Press.

Obituary

U.S. WAR SECRETARY PASSES AWAY

President's Train Flagged on News of Death: Distinguished Career of Statesman

Washington, Aug. 27. News of the death of Mr. George H. Dern, Secretary of War, who died here yesterday at the age of 64 of complications following an attack of influenza, was flashed to Steele, North Dakota, where President Roosevelt's train was flagged to inform the President of his cabinet member's death.

The President announced that he would attend Mr. Dern's funeral which is to be held at Salt Lake City. The President's tour of the drought area, during which he is planning relief measures with the Governors of the drought-stricken states, will not be curtailed, however.

Mr. Dern, who visited Shanghai last November while en route to the Philippines, was survived by his wife, two daughters, Mrs. Harry Baxter, and Elizabeth Ida, and three sons, John, James George, and William Brown.—United Press.

Rise to Fame

Washington, Aug. 27. From an inconspicuous place as bookkeeper for a mining company, George H. Dern rose to a place of prominence through his public service.

He began to attract attention as a state senator in Utah by sponsoring the workmen's compensation act, the corrupt practices act and several other measures of a progressive character.

Through his long connection with the mining business, Mr. Dern was recognized as peculiarly fitted to go before the people of the state as a candidate for governor since mining is the most important industry of the state. He was elected on a fusion ticket of Democratic and Progressives in 1924.

As governor he took an active part in the inter-state controversy involving the construction of the



Mr. G. H. Dern

Boulder Canyon dam. He was one of the organizers of the Seven States Conference on the Colorado River, formed in an effort to settle the controversy. He was made chairman of the conference in 1927.

The Boulder Canyon dam project was the subject of much debate in Congress, but it was Mr. Dern's contention that the river belonged to the various states through which it flowed rather than to the federal government. He also insisted that the future needs of the upper basin states should be cared for in deciding the river dispute, at the same time acknowledging the justice of California's plea that the dam be built to protect lives and property in the Imperial Valley. In 1932 he was again elected Governor of Utah.

Early Years

Mr. Dern was born in Dodge County, Nebraska, September 8, 1872. After his public school education he became a student at the University of Nebraska. He took active interest in athletics and captained the varsity football team in 1893 when it won the Missouri Valley Conference championship. He married Miss Lottie Brown of Fremont, Nebraska. They had seven children. Cutting short his education to accompany his parents when they moved from Nebraska to Utah, Governor Dern began his business career as bookkeeper for the Mercier Gold Mining and Milling Company. He devoted himself to a study of the technical and engineering aspects of the industry.

Sixteen years later, when the concern by amalgamation became the Consolidated Mercier Gold Mining

Company, Mr. Dern was made assistant general manager and treasurer, and a year later general manager of the company. He remained with the company until its mines were closed in 1913.

Mr. Dern put his knowledge of mining to good advantage in association with the

Death of Dame A. M. Anderson

London, Aug. 29.

The death occurred here to-day, at the age of 73, of Dame Adelaide Mary Anderson D.B.E., well-known social worker.

Born in Melbourne, she was a member of the Commission on Child Labour appointed by the Shanghai Municipal Council in 1923, and served on the mission from the International Labour Office to Nanjing, regarding a Factory Inspectorate for China, in 1931.

Dame Adelaide Anderson was Principal Lady Inspector of Factories at the Home Office between 1897-1921, and a member of the Universities China Committee in London from 1932 to 1933.—Reuter.

tion with George Moore, the inventor of the vacuum slime filtration, aiding in the development of that process and putting it on a commercial basis. He also assisted in the invention and development of the Holt-Dern roaster, another mining appliance.

At various times he engaged in banking, dairying and canning and was one of the organizers of the Tintic Milling Company, which erected a milling plant at Silver City, Utah, for the treatment of ore.—Reuter.

Memorial Service

Washington, Aug. 29. President and Mrs. Roosevelt, Mr. James A. Farley, chairman of the National Democratic Party, members of the Cabinet, numerous diplomats, and high Army and Naval Officers attended a memorial service here to-day for Mr. Geo. H. Dern, Secretary of War, who died several days ago. The Rev. Russell Clinchy eulogized Mr. Dern as a "typical American."

Following the service, which were held at the Mt. Pleasant Church, Mr. Dern's body was placed aboard a train to be returned to his home in Salt Lake City.—United Press.

Prince Troubetskoy

Charlottesville, Va., Aug. 25. The death has occurred, at the age of 72, of Prince Pierre Troubetskoy, the well-known portrait painter. Born in Milan on April 19, 1864, he was educated at the Collegio Calchi Taeggi, Milan.

He married an American girl, Miss Amelie Rives, in February, 1896, in Milan, and left for the United States the same year.

Portraits he painted of Gladstone are now hanging in the National Gallery, Edinburgh, and in the National Portrait Gallery, London. He also painted a portrait of the Marquis of Dufferin and Ava, which is now hanging in the Town Hall in Dover, England.—Reuter.

Mr. James Acheson

London, Aug. 26.

The death has occurred here of Mr. James Acheson, former Commissioner of the Chinese Maritime Customs.—Reuter.

Mrs. Andrea Gulbrandsen

Mrs. Andrea Gulbrandsen died at Oslo, Norway, on July 5 last, at an advanced age, according to word received here. Burial took place at Northern Cemetery, Oslo, on July 9. Mrs. Gulbrandsen, who was a widow, leaves three daughters and a son.

Mr. Alfred Holland

SPECIAL TO THE "N.-C. HERALD"

London, Aug. 31. What might have been a brilliant career was cut short with the death to-day, at the age of 34, of Mr. Alfred Holland, Labour M. P. for the Clay Cross division of Derbyshire.

He was the third M. P. for the Clay Cross division to die in less than four years, the others being Mr. Charles Duncan and Mr. Arthur Henderson.—Reuter.

Mr. W. F. Whiting

Holyoke, Mass., Aug. 30. Mr. William Fairfield Whiting, Secretary of Commerce in President

Foreign News in Brief

King Carol of Rumania has ratified the new Straits Convention, the ratification papers being deposited in Paris as required by the stipulations of the convention.

Senor Sylvestre Guerrero, Attorney-General, has been appointed Home Minister, in place of Senor Barba de Quintana, who has been appointed President of the Executive Committee of the National Revolutionary Party.—Havas.

An important meeting of the German Reichstag will be held during the Party Congress at Nuremberg, which will be in session from September 8 to 14. The chief item on the agenda is the passage of laws affecting the future of German youth.

The Catholic organ "Ujmedezek," usually well informed in Balkan questions, asserts that a conference of representatives of the Soviet Russian, French, Rumanian and Czechoslovakian air forces will be held at Prague early in September.

Mr. William Phillips on Aug. 24 resigned as Under-Secretary of State, immediately taking the oath as the new ambassador to Italy. The action was not unexpected, since announcement of the planned change in the State Department was made several weeks ago.

Because the feed shortage in southern Alberta affects the royal ranch, the manager has announced that 40 head of King Edward's 160 Scotch short-horns will be auctioned to enable eastern Canada purchasers unaffected by the drought to improve their cattle herds.

In accordance with its previously announced decision, following the recent conclusion of the Austro-German accord restoring normal relations between the two countries, the German Government on Aug. 26 abolished the Rm. 1,000 tax, which had to be paid by all German subjects wishing to visit Austria.—Havas.

Contracts for the construction of two destroyers and four submarines will be placed shortly, according to Dr. Colijn, the Premier. He added the government will furthermore acquire 20 "bombing" planes for the army in the Netherlands East Indies and 30 pursuit planes in addition to six Dornier flying boats previously ordered.

The Chancellor, Herr Hitler, has ordered that the second submarine flotilla, which will be formed shortly, be named "Satzedel Flotilla" in memory of Lieutenant Satzedel, who as submarine commander lost his life in December 1917, when his boat struck a mine in the Channel, after having sunk about 179,000 tons of enemy craft.

Friends in Los Angeles said on Aug. 25 that Mr. Edward Harrison, a Manila resident well known in financial circles, had married Baroness Jean von Hagen, who visited the Far East early this year, at Tia Juana, Mexico, on Aug. 21, with Judge Ricardo Gilbert performing the ceremony. Cathedral officials, however, and Mr. Harrison's attorney at Reno denied the marriage.

Six consolidated bombers, the "flying fortresses" of the U.S. air force, will fly to Honolulu on December 1, it was learned on Aug. 26 Rear-Admiral Ernest J. King, commander of the aircraft base force at San Diego, confirmed the report, and said that the big bombers would be followed by six more, which would take off for Pearl Harbour on January 15.—United Press

Hunger riots are still spreading in the Ukraine, although a state of alarm has been proclaimed in several military districts. New disorders are reported from the region of Poltava, where 23 persons were recently killed during sanguinary clashes between workers, peasants and soldiers of the Red army. No less than 200 demonstrators are said to have been arrested in this district alone.

Coolidge's Cabinet, died here to-day at the age of 72, following a prolonged illness.

Mr. Whiting was born in Holyoke on June 20, 1864, and had made his home here throughout his entire life except for the years spent in Washington during the Coolidge Administration. Mr. Whiting succeeded Mr. Herbert Hoover, former President of the United States, to the position of Secretary of Commerce.—United Press.

FROM THE FOUR WINDS

TRANS-ATLANTIC AIR SERVICE

International Co-operation for Beneficial End: British

Air Companies Merge

FROM OUR OWN CORRESPONDENT

London, July 31.

Sir Philip Sassoon's announcement yesterday in the House of Commons of the agreements now completed for a Trans-Atlantic aerial service brings this long-dreamt-of idea into the region almost of "things accomplished."

Five different Governments are parties to the agreement, ourselves, Canada, Newfoundland, the United States and the Irish Free State. But in the joint company which will manage the service, Imperial Airways will hold 51 per cent of the capital, Canada and the Irish Free State 24 1/2 each. Pan-American Airways are to receive landing-rights in Canada, the Irish Free State and Newfoundland in return for the landing rights acquired by British planes in America. Pan-American will be conducting their own trial flights as well as Imperial Airways. Of the total subsidy paid to the joint company, Canada will pay 20 per cent, but only to a maximum of £75,000 the Irish Free State 5 per cent, to a limit of £12,000 and Newfoundland a sum yet to be agreed upon with Great Britain. The United States pay landing fees but no other contribution, except, as stated, the reciprocal rights of landing.

Exactly when the trial flights are to begin cannot be stated; much of course will depend upon the progress made with the Mayo composite machine. But the tests are spoken of as likely to begin "in the near future," with a bi-weekly mail and passenger service, as soon as the mail service is soundly established.

What perhaps strikes most is that here we have a great international combination, in an extremely arduous undertaking, to use the air for eminently peaceful and beneficial ends. It presents us with the aspect of the aeroplane which surely it should always have, but which is too often forgotten in the concentration upon it as an instrument of death and international menace.

Testing London's Defences

The testing of London's and the southeastern counties' defences against air raids is now in full swing, and judging by the accounts of special correspondents the defences are pretty strong. The "Daily Telegraph's" correspondent to-day sends a particularly graphic story. He went up at dusk from Mildenhall in one of 24 bombers which were supposed to attack the North Weald and Hornchurch aerodromes, these being defended by 70 fighting planes—Bulldogs, Gauntlets and Furies—and by Territorial anti-aircraft units. This was his experience:—

My machine was the first in the air. We climbed quietly to 15,000 feet and the automatic pilot took charge. At this height the pattern of the land had shrunk to the resemblance of an infinity of medieval strip holdings. By the time we were over Ipswich the day had gone and the town at our feet was no more than a skeleton picked out by the lighted street lamps.

We flew then down the moonlit Orwell to Felixstowe, along the coast to Walton, and up the estuary of the Blythwater to Mazon. So far we had seen no sign of an enemy. The sky was starry and cloudless, the moon almost full, and the luminous thermometer behind my head registered 10 degrees of frost.

It seemed we might escape the searchlights—a dozen of them—were pricking the sky as we roared towards Chelmsford. But first one and then a second caught us in a dazzling beam and held us until we had passed out of range.

In a little while we were over the North Weald Aerodrome, and we circled it twice before turning north-east again for Felixstowe. As we banked, a great glare shone on the horizon. It was the edge of London, a crowded galaxy of white lights varied here and there with red signs and tiny constellations of green, where the new sodium lamps marked the line of a main road.

We had been up nearly four hours before we saw the red flash of the Mildenhall signal. We landed just in time to escape the fog that kept machines on the ground at Abingdon and nearly forced later flyers from Mildenhall to come down at North Weald.

Some 30 raids were attempted during the night between dusk and 4 a.m. and nearly all of them were intercepted. Hitherto results seem to have been very satisfactory, while the publicity given to them should have a wholesome effect on the Continent.

HOLIDAYS ON THE ISLE OF ARRAN

Large Crowds Attracted from All Parts of Scotland

FROM OUR OWN CORRESPONDENT

Glasgow, Aug. 3.

For most of us, the Fair Holidays ended on Saturday night when large numbers returned to the city. The large majority had not been favoured with good weather for the elements have been anything but kind this year. It is no exaggeration to state that it has been one of the wettest Fair Holidays Glasgow has known for many a long day and we hope it will not know another like it for years to come. We always look forward to the Fair Holidays. Even Chinese New Year cannot equal our Glasgow Fair. When it comes, the city practically empties.

Only those remain in it who literally have to, all the rest leave and the holiday resorts far and near are crowded with our Glasgow population. Anyone seeing the railway stations on the first day of the Fair Holidays would imagine that the railway companies were offering free rides to all parts of Scotland! Stations are crowded out, long queues are formed and as trains come in they are packed and sent off, with multitudes still waiting to get away. That was on the whole of the first day of the Fair Holidays, and it is the same on the second day.

Steamers to Arran, the Clyde Resorts, the Isle of Man and Ireland leave with every available space taken up and while Glasgow steadily empties, the holiday resorts become crowded. The Isle of Arran is naturally a popular resort for large numbers and while it experienced glorious weather during June and the first part of July, it was at its worst for the Fair week-end. It was not quite so terrible for those who went to Boarding Houses and Hotels, but for the poor campers—and immense numbers went there to go under canvas—the conditions were truly appalling on the Friday and Saturday. Fortunately on the Sunday there was a big improvement in the weather which continued for several days until again the elements proved unkind and morning downpours damped in most ways than one the fine spirits of the boys and men living in tents.

Arran's Weather

Arran is noted for its wet weather but it is questionable whether it deserves the reputation that it has amongst its severe critics. This summer so far it has been considerably drier than many parts of England and Wales and it appears to have had much more sunshine, certainly more than Glasgow experienced. The island has a peculiar attraction for those who have been accustomed to spend their summer vacations on it. Mothers and fathers, who in their early days were taken to Arran for their summer holidays, go there in these days with their families. It is not a case of going once and then missing a summer and going somewhere else.

Arran draws again and again and it will continue to draw. It gives the maximum amount of freedom to those holidaying in it. Visitors can go practically anywhere. There are no notices saying "Trespassers will be prosecuted." Gates can be opened and fields entered, so long as pedestrians remember to close the gates after them to stop the cattle from straying. It is possibly this extraordinary freedom which makes it so desirable a holiday resort for the multitudes from our big city.

July is Glasgow's month, while August sees a large influx of visitors from Edinburgh and Glasgow. There are glorious runs to the various parts of the Island, while possibly the best of them all is the one which takes the visitor all around the island. This can be done by the most comfortable of luxurious motor coaches, fitted with wireless, and on a fine day, it is a marvellous experience to tour Arran in this way. The run usually takes about five hours, though, of course, there is a break of about an hour for tea. On an afternoon's run in one of these coaches, not only is one likely to meet visitors from our big cities, but people from all parts of the Empire as well as from China, Japan, Africa and South America.

Work on the Clyde

With the Fair Holidays something of the past, we are now putting our backs into our work. The Government re-armament policy, has meant a large increase in employment with a corresponding decrease in our unemployed figures. Not for many years has there been so much work on the Clyde, while now that we know Messrs. John Brown & Co. are to build that second "wonder ship," a sister to the famous Queen Mary, Clydebank is assured of steady work for some time to come.

It would be superfluous to add that the announcement of the order for the second Cunarder to be built at

(Continued on page 424.)

AUSTRALIAN MARKETING PLANS

Legislation to Control Trade Beyond State Boundaries Declared Unconstitutional

FROM OUR OWN CORRESPONDENT

Melbourne, July 30.

Australian plans to stabilize the marketing of primary products have been gravely disorganized by an adverse decision of the Privy Council in what is generally referred to as the "James case." By virtue of that decision, legislation by the Commonwealth Government and the various State Governments to control trade extending beyond State boundaries has been declared unconstitutional, and powers claimed by the Commonwealth have been seriously curtailed. If no more than the control of marketing were involved, the problem could be solved without especial difficulty, but the constitutional complications strike at the very foundations of State autonomy. South Australia, Western Australia and Tasmania are jealous of the Commonwealth Government's encroachment on State rights, and hesitate to surrender further powers to the Commonwealth to control marketing, through fear that it might establish a precedent for encroachment in other directions.

The present development originated out of the adoption of State legislation in 1925 to regulate the marketing of various primary products. This regulation has never applied to the staple exports, wool and wheat, but has operated beneficially in respect of the lesser primary industries. Similar regulation of wheat marketing has been considered by the Government, but nothing can be done until the exact significance of the "James case" has been determined by the Premiers' Conference next month.

Not for "Dumping"

The regulations adopted in 1925 were in no sense designed to facilitate dumping in foreign markets. The objective was the stabilization of prices in the home market at levels that would ensure a reasonable return to the producer. Australian production of primary products greatly exceeds local consumption. The local market, being more profitable to the producer than the export trade, was consequently subject to periodic gluts that caused instability of prices, and threatened to drive local prices down to the same level as the return to the producer from the export trade. To prevent this, the States, by legislation, set up authorities to fix quotas calculated to meet the requirements of the home market. The residue of production then had to be exported, usually at a lower return to the producer.

South Australian producer of dried fruits, Mr. James defied the regulations, and exported his residue to Sydney for sale in the New South Wales market. He claimed this was justified by Section 92 of the Commonwealth Constitution, which states that—"trade, commerce and intercourse amongst the States...shall be absolutely free."

It is perhaps as well to explain that the powers of the Commonwealth are defined by the Constitution. It can legislate only in respect of powers expressly conferred upon it by the States at the time of Federation. The Constitution can be amended only by a referendum resulting in a favourable majority of the people and a majority of the States.

Decision Upheld

Mr. James appealed to the High Court, which decided in his favour, and, in 1932, the Privy Council upheld this decision.

The States then appealed to the Commonwealth for co-operation to validate their marketing legislation. Legal authorities enthusiastically combed the Constitution, and discovered that Section 51 empowered the Commonwealth to—"legislate with other countries and amongst the States of the Commonwealth." New Regulations were consequently introduced by the States and have been operative ever since. But Mr. James remained undaunted. After fighting the issue through the courts for several years, he again has the satisfaction of being upheld by the Privy Council. Section 92 overrides Section 51. Government control of interstate trade is unconstitutional. Planned marketing has suffered the same fate as the New Deal in the United States, and the Commonwealth's pride has been seriously buffeted.

The real issue involved is that the Commonwealth is now bound by Section 92, which, it was claimed, only applied to the States. This is important because the Commonwealth's regulations to control aviation are also being challenged in the courts, and similar action may be taken with regard to broadcasting.

The larger States, or, more correctly, those with the greatest popula-

tion, are inclined to favour extension of the powers of the Commonwealth, because their representatives dominate the Commonwealth Parliament. For the same reason, the smaller States are suspicious of encroachments, and without their co-operation a referendum is unlikely to result in any tampering with the Constitution.

Strengthening Defences

While his Cabinet colleagues are immersed in the cold waters of constitutional frustration, the Minister for Defence, Sir Archibald Murray, has launched a drive to strengthen the militia. When the Scullin Government took office on the eve of the depression in 1929, it abolished the system of compulsory military training, and introduced the volunteer militia. This represents the peacetime framework of Australia's military defences, and in recent years personnel has been allowed to fall below nominal strength.

It is now considered advisable to repair this deficiency, and an appeal has been made for additional volunteers. In some quarters the resumption of the system of compulsory training has been advocated, and this was supported at the last conference of the Returned Soldiers League. The Government, however, considers that the volunteer system should be given a further trial, and Sir Archibald quashed rumours to the contrary by issuing an official statement that there was no intention of abandoning the militia.

The essential weakness of a volunteer system lies in the fact that most Australians regard war as an intolerable interference with the more fruitful pursuits of peace. They have no desire to wage war on any other country, and are disinclined to become embroiled in conflicts that do not concern them. However, the failure of the League of Nations in dealing with the war in Abyssinia has convinced them of the need for adequate powers of self-defence, and the Government's policy of strengthening the army, navy and air force is approved by all sections of the community, and there is little doubt that the appeal for additional volunteers will meet with a satisfactory response.

New Meat Agreement

During his recent visit to England to appear before the Privy Council on behalf of the Commonwealth Government in the "James case," the Attorney-General, Mr. Menzies, negotiated a new agreement giving Australian exporters a greater share of the English meat market. Such an agreement has been sought for several years, and Mr. Menzies' success is hailed as the first fruits of the new Australian tariff designed to divert Australian trade with foreign countries to Great Britain.

Apart from the preferential treatment now assured, Australia is in a much better position to compete with meat exports from the Argentine since the problems of chilling meat on the longer voyage from Australia have been solved. A number of new, fast ships, specially equipped for the chilled meat trade, have been commissioned on the Australian run, and with the improving market every effort is being made to raise the already high standard of Australian cattle.

Great importance is now attached to the Australian meat trade. Vast areas of the continent are better suited to cattle than to sheep raising, and are too remote from the coast for dairying to be practicable. Meat exporting on a large scale offers the only promising means of settling these areas, and this particularly applies to the northern parts of the continent, where increased population is desired.

Nearer the coast the dairy industry is well established, though it has just passed through a rather dry season in all States. One unfortunate effect of this has been inability to cope with large orders for butter from the Netherlands, a market Australia is anxious to develop.

The same dry period also threatened the Victorian wheatlands, and sowing was seriously delayed. At the crucial moment good rains relieved the position, and steady falls throughout the last few months have practically assured a bountiful harvest. This is good news for the farmer as the wheat markets are buoyant in consequence of the disastrous droughts in Canada and the United States. Last week, wheat was quoted at higher prices in Australian markets than for many years, despite the threatened curtailment of orders from Japan and Manchoukuo as a reprisal against the new Australian tariff.

AMERICA A SECOND "SAHARA?"

Farmlands Ravaged by Drought, Heat, Fires, Dust Storms, Grass-Hoppers and Other Pests

FROM OUR OWN CORRESPONDENT

Washington, Aug. 2. Mankind has on many occasions and in many places abused the soil which nourished him, has taken no care of it, treated it as the everlasting source of his wealth, and the soil has had its revenge. There are forgotten cities in the Gobi, buried civilizations in the Sahara, crumbling ruins in Asia Minor, all of which teach the lesson that land cannot be treated roughly and thoughtlessly as a slave but with consideration as a partner.

In the United States to-day that lesson has been learned, but has it been learned too late? Will future years see the formation of a vast central Sahara, driving the Middle Western farmer back to the overcrowded Atlantic seaboard from which he came, or pushing him on towards the Pacific? In considering the drought problem of the United States, one fluctuates between two extremes. Is one being too imaginative and letting fancy run riot in picturing so great a disaster? Or is one refusing to recognize a possibility merely because it is so strange that one does not want to recognize it?

Experts themselves disagree. Mr. J. B. Kincher, chief of the division of the weather bureau which studies climate and its effects on crops, is optimistic. This year's warm weather, he says, is the continuation of a cycle which has been in evidence for a quarter of a century. Better weather will probably prevail next year and the United States will enter a cycle of wet years. There is no reason to believe that the climate is changing permanently or that cutting down forests or ploughing up plains has any influence on climate and rain-fall. Its influence on the soil is, of course, a different matter. If Mr. Kincher is right, then why was once grass land could if the soil were properly treated become grass land once again and could even be farmed if the right methods, such as crop rotation, were adopted.

On the other hand, the Natural Resources Committee in a survey released at the height of the drought period was pessimistic—

The fact is that most of the territory occupied by the United States is not naturally suited for a permanent civilization. It is like the land of the Mayas or Yucatan or the land of Babylon—a rich land where civilization can flourish in a blaze of glory and then collapse in a few generations into ruin. Without a fertile soil and self-renewing forests the splendour of our bankrupt cities will become a ghastly joke. Armies of navies cannot defend a nation against the scourge of wind and flood.

Blunt and to the Point

A statement made last March by Mr. Hugh Bennett, director of the United States Soil Conservation Service, was blunt and to the point, and permits no easy optimism about the future.

"We have impoverished and destroyed our agricultural lands probably faster than any other nation or race, civilized or barbaric, in all the history of the world. Unrestrained erosion is rapidly building a new Public Domain in America, an empire of impoverished and worn-out land, land stripped of its rich surface covering, or gullied beyond the possibility of practical reclamation," Mr. Bennett stated.

The devastating droughts of 1930, 1934, and 1936 may in the long run be considered a blessing in disguise, for they have called attention to the existence of a soil conservation problem. The race is now on between erosion and conservation, and the prize is the future of the United States.

Striking Film

Sequence 1, Grass:—First there was grass, a treeless windswept continent of grass, a country of high winds and sun, without rivers, without streams, and with little rain.

Sequence 2, Cattle:—Then came the cattle, up from the Rio Grande, in from the rolling prairies, the cattle rolled into the old buffalo range. An empty, inexhaustible pasture, an unfenced, uncharted range, one thousand miles long. Fortunes in beef, more cattle the railroad brought the market closer, and it brought the sheepman and the dirt farmer.

Sequence 3, The Homesteader:—The ploughman followed the herder, and the pioneer found the plains. Lands in the West were in the frontier, the first fence and the last of the free range.

Sequence 4:—Many were disappointed as the rains failed and the sun baked the light soil. There was fresh land in the West, there was more grass further on, new land for the taking, and there was a new day coming.

Sequence 5, War:—Wheat will win the war; plant wheat; plant the cattle ranges; wheat for the boys over there, wheat for the allies, for the British, for the French.

Sequence 6, Speculation:—Then we reaped the golden harvest, then we really ploughed the plains, the world was our market, but speculation led to a crash.

Sequence 7, Drought:—The rains held off and the sun baked the earth. But this time no grass held moisture against the wind and the sun.

1930. The worst drought in the history of the plains.

1931. The rains held off, the machinery rusted.

1932. No seed to plant, no land to put it in.

1933. And then the high winds took toll from the ploughed acres turned to the sun.

Sequence 8, Dust Storms:—High winds whipped across once fertile acres; death and disaster; havoc to farms, tragedy to human beings.

Sequence 9, Devastation:—Baked out—blown out—and broke: For six years they fought the sun and wind, watched their homes blow away until finally they left the plains by thousands; nothing to stay for, nothing to eat, nothing to hope for. Homeless, penniless, and bewildered, looking for a stopping place, they joined the great army of the highway.

This picture shows the immensity of the tragedy, but it leaves the impression that man was not to blame. He was but a poor atom buffeted by an unkind fate. Nature was the villain, as in some primitive religion. The farmer was the victim of unkind circumstance, pursued by a relentless fate like a character in a Greek play, but with no hint of the original crime which he must expiate.

Man The Villain

But man was the real villain. He wasted his substance in riotous living. He shot the buffalo for the sheer joy of shooting. He tore up the land, intent only on what he could get from it; treasure was there for the looting, and the future could take care of itself. Ask the Eastern farmer what he thinks of his brother in the Middle West. He will probably call him a soil robber, not a true farmer. He has no pigs, no garden, no chickens; nothing but his cash crop. He does not even try to feed his family from his land. He sells his crop and buys food in cans. He wastes his money on expensive luxuries, on radios and cars, instead of on improvements. He borrows lavishly and gets into debt, and then cries out for his debt to be lightened. He has to be paid for doing what any self-respecting farmer would do naturally and instinctively, for planting crops which benefit the soil as well as rob it.

But whoever is to blame the situation remains, ominous and menacing. Over 200,000 families are dependent upon relief. At a recent press conference the President said that there were 570,000 farms in the emergency zone, on which 2,718,000 people were living. Recent rains brought relief and prevented the damage from being as serious as in 1934, but in many places it came too late to save the crops. Drought, heat, grasshoppers and other pests, fires, and dust storms have left the farmer in a hopeless situation. Seventy-five thousand farmers have been handed picks and shovels and given work under government supervision on soil conservation projects and cart tracks. Another 70,000 are being given direct relief and another 50,000 part relief.

Dust Bowls Form

Two big dust bowls have formed in the United States, one on its northern border in North and South Dakota, another to the south in Kansas, Oklahoma and Texas. The lands may be saved if soil conservation work and intelligent farming are helped by a succession of rainy years but many families will continue to live on the border-line of poverty. As many as can be helped, and are willing to be helped, will be aided in settling elsewhere.

What effect will the drought have on the elections? Will the farmer, grateful for the aid which the Roosevelt administration has given him, vote for the President. Or will he, as he looks at his wasted crops, turn against a government which preached the need of crop reduction. Will he feel that perhaps the plagues which have befallen him were due to Divine anger at the efforts of man to curb the processes of nature? The farmer is often a religious fundamentalist and this viewpoint is widely adopted.

A great deal will depend upon whether or not the farmer who is not on relief has as much income as usual. If he has, then the Democratic party may keep his votes. The De-

HOLIDAYS ON THE ISLE OF ARRAN

(Continued from page 423.)

Clydebank gave immense satisfaction. We always anticipated that as the Queen Mary was built here, her sister ship would be constructed here also, but all the same it was glorious news to know that the order had actually been given. Messrs. John Brown have done some big things in the past and it can be confidently anticipated that the Queen Mary's sister ship will be the last word in ship building. This famous firm will surpass themselves in the construction of the vessel which will be larger in tonnage than the Queen Mary and even faster than she will be when she gets into her stride.

An interesting visitor to Scotland just now, as far as the church-going public is concerned, is the Rev. George W. Gibb, the general director of the China Inland Mission. Mr. Gibb is the successor of Mr. D. E. Hoste, regarded as a most worthy successor to the founder of the mission, and is thus the third general director of this society. He is at present in Aberdeen where he preached yesterday, the city in which he studied when he took his M.A. degree. The visit is apparently more or less of a private nature, for Mr. Gibb is not making any speaking engagements until he returns to London to address the public valedictory meeting for the new out-going workers.

Amongst those who passed the recent final C.A. Examination, was Ian Douglas, only son of Mr. and Mrs. John Douglas, formerly of Shanghai. Mr. Douglas was for a number of years employed in the Kiangnan Arsenal and Mr. Ian Douglas was for some years a pupil of the Chefoo Schools. His success can only be described as brilliant, for owing to severe eye trouble, he was prevented for quite a time from pursuing his studies. Notwithstanding this severe handicap, he was amongst the successful candidates.

Sport this Summer

It has been an unsatisfactory summer from the view point of sport and some of our cricket matches have been a literal "wash out." But we do not profess to be great cricketers, though we do indulge in the popular summer pastime, and we can play it and play it well. But we do go in for football, both brands, and at soccer and rugby we can compete with the best.

While, South of the Border, soccer teams are beginning to get into form with a view to the commencement of the new season which opens at the end of the month, here in Scotland our association football commences this coming Saturday, when both the First and Second Division Clubs will be playing matches.

Most of the trial games have taken place and judging from the large numbers of enthusiasts who were present, the coming season is not going to see a falling off in interest. Celtic have been electrically building up a strong eleven and they are warm favourites for all the honours but, of course, one can never tell. Rangers always rise to an occasion, but what most of our enthusiasts hope (they always do at the commencement of each season) is that the end of the season will see a club other than Celtic or Rangers at the top of the First Division League Table.

Department of Agriculture recently estimated that he would. The first half of 1936 showed a 17 per cent. advance over that of 1935. During the second half of the year prices are likely to be higher, owing to crop destruction, so that if the improved demand from the industrial centres continues, the second half of the present year should also show improvement.

Crop Control

Another question of what effect will the drought have upon the government's agricultural philosophy. Will it convince them that crop control (as opposed to soil conservation) is unworkable? The Supreme Court threw out the A.A.A. but the government still hopes to establish a series of States or "Little A.A.A.s" and carry out the original ideas of the A.A.A. Even this year the Government is paying \$40,000,000 to those farmers who agreed to cut down acreage. The chief contribution from the Government to the farmers is, however, the \$440,000,000 voted by Congress for the encouragement of "soil conservation." Farmers who get the money must promise to shift their crops from corn and wheat to grasses, alfalfa and clover.

The only thing certain about the efforts of the Administration for the past four years is that control of agricultural production has not yet had a chance to be tested. Weather did the controlling in a much more drastic manner than anything planned by the government. People are asking if crop control is possible when the biggest determining factor in annual production, the weather, is entirely beyond the control of man, and even beyond his ken.

WESTERN CANADA'S PROSPECTS

Estimate of Only 44 Per Cent. of a Normal Year's Harvest: Government Help Needed

FROM OUR OWN CORRESPONDENT

Montreal, Aug. 1. Western Canada is now faced by crop prospects for this year which can be characterized as nothing less than disastrous. A wheat crop that three weeks ago, when the blistering heat was at its worst, was estimated to yield about 70 per cent. of a normal year's harvest, now has deteriorated to such an extent that one careful estimate places the yield at 44 per cent. of normal. Even now, refreshing rains would be helpful, for the heat seems to have passed; but they could do no more than improve the crops slightly, and bring back life to the parched pasture lands.

The fifth progress report of the season, which has just been issued by the Dominion Bureau of Statistics, lays stress on the extreme gravity of the situation, with particular reference to the province of Saskatchewan. The report states:—

Crop prospects continued to decline in Saskatchewan during the past week, particularly in the southern and western sections. There was practically no effective rainfall and temperatures were again far above normal. The salvaging of seed and feed from the scorched crops will be difficult over a wide area, and unless rain comes soon to start new growth there will be a serious winter feed problem. The wheat crop will be far below average, and yields of barley and oats will be even lighter. Grasshoppers are migrating to the remaining grain fields from the brown pastures and road allowances. Rust is present on the late crops in Eastern Saskatchewan, but the hot, dry weather is retarding its development and preventing serious damage so far. On the whole, the 1936 season will rank with the worst in the history of the province.

Conditions in Manitoba and Alberta are little better, and in all three prairie provinces the future of the cattle herds is problematical. During the past few days there have been suggestions that the Government should initiate two plans. First, that a large number of the cattle should be slaughtered before they use up more of the scanty supply of feed, and that an arrangement should be made with the packing houses to take these animals over at a reasonable price; and second, that steps should be taken to move thousands of the cattle to the more northern districts, where pastures have not been as seriously affected.

Fortunately for the country as a whole, conditions elsewhere are much more encouraging. In British Columbia, fine warm weather has brought the crops along splendidly, and there is ample moisture for present requirements. Indications are that both field and fruit crops will be better than average. Rains over both Ontario and Quebec have revived the parched fields, and with the exception of a few districts, conditions are regarded to be satisfactory. In Ontario, there was a serious loss to bush fruits, but the trees are said to have stood up well. In Quebec, the hay crop was excellent, and only the corn tends to be somewhat backward. Dairy produce is being marketed in good volume, and frost damage of the spring has not proven to be as serious as was expected. The Maritime provinces did not suffer from the drought to any extent, and prospects are excellent. Both field and fruit crops are coming along well, and a good harvest is anticipated.

Despite these brighter items it still remains a fact that when the Western wheat crop is a partial failure the whole country suffers. And this is even more emphatically true this year, following the long succession of bad years that the prairies have had. Both private and Government assistance will be needed this autumn and winter to keep hundreds of families from despair and starvation.

Election Stalemate

The provincial election in Manitoba has produced a stalemate, leaving Premier John Bracken and his Liberal-Progressive Government with only 22 seats out of the total of 55. There are still a few doubtful seats, and two in which polling was deferred until August 21, but even if these were to be solid Liberal they would still not give the Premier an absolute majority.

The rest of the seats are split up in such a way that the Opposition groups would have to combine in order to defeat the Government, but this is small comfort. The Conservatives have elected 15, Social Credit 5, Co-operative Commonwealth Federation, 4, Independents, 3, and Communist 1. And it is doubtful to what extent any one of these groups would work either with the Government or with another Opposition group. The result therefore appears to be decidedly unsatisfactory from the point of view of a stable Government, and already there are suggestions of a further election.

The lengthy period of indecision has resulted from the complicated electoral system followed by Manitoba, which has already been referred to in these columns. While the attempt is made to give a fairer judgment as to the will of the people by a form of transferable vote, which can be re-allocated under definite rules after the first count has been completed, in practice it is obvious that this adds to the indecision of the result as a whole. Possibly there will now be a move for an electoral system similar to that used in the rest of the provinces.

The Conservative group, which may be considered as the official Opposition, elected its leader and several new members, in addition to retaining most of its former seats. Mr. Willis, the new leader of the party has not made any comments regarding his attitude if he is urged to unite with others of the small parties. But a coalition of the Conservatives with either Social Credit, C.C.F. or Independents is unlikely, and the Communist member will certainly not want to be allied with them.

The Communist, Mr. Litterick, has the honour of being the first member of his party to be elected to a Canadian provincial Parliament. He has already made the assertion that he is "going to the Legislature to fight capital, not to reform it." And he has positively declared that under no circumstances will he have anything to do with a coalition government.

Pres. Roosevelt's Visit

The visit of the President of the United States to the old-world city of Quebec to meet Lord Tweedsmuir has proved to be a happy event. It is the first occasion on record on which a President has visited a Canadian Governor-General, and on very few occasions have chief executives of the United States crossed the Canadian border.

Mr. Roosevelt has been spending a brief holiday on the coasts of Maine and New Brunswick, and proceeded by special train from St. Andrews, N.B., to Quebec. Here he found the town en fête for his visit, and he was met by the Governor-General, Premier King, Premier Godbout of Quebec province, and the Mayor of Quebec, and escorted to the grassy slopes near the ancient citadel.

There were speeches of welcome, in which the long years of peace and friendship between Canada and the United States were remembered. There was mention, too, of the way in which the French and the English have laid aside their former enmities to work for the common good of Canada. Lord Tweedsmuir expressed the hope that the era of good-feeling would long continue, not only between the United States and Canada, but among all the English-speaking peoples of the world.

To these brief addresses President Roosevelt replied in gracious terms, adding that he was really no stranger to Canada, as he had spent part of almost every summer since he was two years of age in the Province of New Brunswick. Then he turned his thoughts to the spot on which the meeting was taking place, and said:—

To many of my countrymen, and I am no exception to this rule, Quebec has a fascination all its own. The Plains Abrahams are the cliffs which lead to them are eternal memorials to brave French, to brave British and to brave American colonists who have fallen in battle, be it in victory or in defeat. Yet there is no nobler monument, for on these fields of battle was born the living miracle which we are privileged to see to-day—two great racial stocks residing side by side in peace and friendship, each contributing its particular genius in the molding of a nation. This is a monument worthy of those who gave their lives; this is an example from which all thinking men draw deep satisfaction and inspiration.

It is believed that some informal talks will be held on the subject of the St. Lawrence Waterway development and the Passamaquoddy Bay scheme, and in the main the visit will be a social one.

Mr. William C. Bullitt, newly-appointed American ambassador to Paris to succeed Mr. Jesse Strauss, who resigned for reasons of health, will leave for Paris on September 23.

RECENT information from Home contains the interesting news that Dr. W. K. Duncombe (until recently Director of the Medical Laboratory in the Public Health Dept.) obtained the Diploma of Public Health (London) and has been appointed Deputy Medical Officer of Health and School Medical Officer for Smethwick, a city of 90,000 population near Birmingham. Dr. Duncombe has taken over his new duties following a holiday cruise in the Mediterranean.

SPECIAL ARTICLES

INCONSEQUENCES

By LATRATOR

Mr. George Wingrove Cooke in 1857 was the Peter Fleming of his day. In other words, he made a visit to China as the Special Correspondent of "The Times" and when he had got back to the placid atmosphere of No. 2, Brick Court, Temple, he obtained permission of Printing House Square to put his special correspondence together and reprint it in the form of a book entitled, quite simply, "China."

He arrived at the mouth of the Whangpoo on July 31, 1857, on the Yellow Sea steamer Remi, and as he wrote his despatch on that day and finished it hastily to catch the Formosa, which would take it back to England, he declared that he could see the sacred island of Puto through his glasses and he was looking forward to early arrival at Woosung on the next day, so that he could proceed up the river to Shanghai. He kindly described the water of the Yangtze as "quite fresh, and opaque with rich alluvial soil." Thousands of junks and lorches were scudding to and fro in the estuary, but he noted the checker-boarded sea-mark and a floating lighthouse which indicated where he would have to leave the Yangtze and travel up its last tributary, the Whangpoo:

.....Upon a low spit of land stands the desolate and amphibious-looking village of Woosung. The place is not really desolate and is not really amphibious, for large fortunes are constantly being made here (the golden sands of commerce accumulate as rapidly as the deposits of the Yang-tse-Kiang), and the piles on which the buildings are erected lift them up out of danger of inundation. But the Chinese have a talent for giving an appearance of squalor to their towns and villages.

He did not land at Woosung but he received hospitality from the Emily Jane, formerly, as he describes it, "a floating garrison," but then an opium hulk:

.....Your "Special Correspondent" ought to be above such base considerations, but "Times" advocates have been known to relish a rum-steak cooked upon the furnace-fire of Broadwood's brewery; and I must own that when the frank and hospitable commander of the Emily Jane had responded to my letter of introduction by an invitation to join him in some well-cooled sauterie, a joint of capital Shanghai mutton, and a successfully concocted ice pudding—grateful contrast to the monotonous fare of a passenger steamboat—I did not look about me with so much flaming indignation as a total abstinence-from-opium advocate ought to have done. These cool drinks calm one's judgment.

After this meal he continued his journey to the Shanghai of nearly eighty years ago.

At a distance of three miles, in the gray twilight, Shanghai looks like a distant view of Woolwich. The tall spars of the Pine frigate, the English and American steamers of war, and a fleet of merchant vessels give an air of life and bustle to the waters of this noble tributary to the Yang-tse-Kiang. Higher up, where a turn in the river gives an inland appearance, we see a multitudinous mass of junk-masts, just as from Greenwich and Woolwich we see the spars of the ships that crowd our docks. All tells of a large commerce requiring a strong protection. In this indistinct light the "hongs" of the European settlement loom like the ship slips at Deptford or Woolwich. It is only upon a near approach that they resolve themselves into fine, finished buildings, some columned like Greek temples, some square and massive like Italian palaces, but all clearly that the *res augusta domi* is a woe unknown to Englishmen in China.

The English settlement at Shanghai is situated upon a bend of this river Wang Poo. Its boundaries are its fortifications. On one side the Soo-choo river, which comes down from the great city Soo-choo (the Birmingham of China) and falls into the Wang Poo, forms its limits. On the other side, the Yang-kang canal shuts it from the settlement allotted to the French. This French allotment extends up to the

walls of the Chinese city of Shanghai.

His host at Shanghai was Mr. Beale, who is known to the readers of Fortune's description of his travels in China. Shanghai he described as the "present mainstay and future hope of British trade with China." Not so long before it had been a place of paddy-fields and cotton grounds, and now, in Mr. Cooke's eye, it was a "handsome Anglo-Chinese city." Prosperity spoke eloquently of an annual balance of £4,250,000 in its favour:

.....In the current year, according to all present appearances, the sum may reach £2,000,000, even with the set-off of the opium, and but for this undesirable resource for hedging our losses, the civilized world would have to find £14,000,000 worth of silver to pay the Chinamen who supply this single port.

There is criticism of Shanghai as a port so productive to China that it drained Englishmen of their bullion, deranged their exchanges and embarrassed their commerce. But the traveller did not propose at that stage to explain why that happened. He promised his readers, however, later on to devote considerable space to examination of the problem of working British manufactures into China. Beyond the Settlement extended the rich alluvial plain for 20 miles without a hillock. The fertility of the soil and the industry of the people received tribute from the new-comer. But there was another side to the picture:

.....The roads are devious foot-paths, and the houses of traffic are dykes and drains falling rapidly to ruin. When the fierceness of the sun is a little moderated, I walk about these fenny tracks as they wind more tortuously than the footways in the marshes between Erith and Greenhithe. They all tell of better days. They are strongly paved with rough blocks of granite or of limestone, fortunately too so solid to need repair. Small drains are crossed upon slabs of stone of many tons weight, and wide watercourses are crossed by bridges of stone built to last centuries. But where present or constant care is required we see the evidences of a decrepit government and an unsettled society. Reeds and bamboos choke the water-courses; some have become dry, which were navigable five years ago. Here we come upon the site of the Imperialist camp. The canal which formed its defence is now a swamp. The peasant still retains his habits of industry. The land is parcelled out into little patches of cotton; and as the plant must be sown wide, the interstices are filled with bean, or by some vegetable that will find a market in Shanghai. The senses are afflicted by open pans of human ordure, carefully preserved for manure; and the proprietor, with a small basket fixed at the end of a bamboo, is bringing water from the ruined canal to irrigate his little cotton-garden....

Mr. Cooke deferred a longer visit to Shanghai to a future occasion. In the meantime he visited Ningpo, Hangchow, and other places in the neighbourhood, his despatches being interspersed with interesting reports from Canton and dissertations on import trade. During the last week in October he was back in Shanghai and before departing for Hongkong he gives his readers some impressionist sketches of conditions in the former port:

Before we leave Shanghai I must ask the British public to accompany me in a morning walk upon the Bund. It will be hard if we do not find some few scenes there illustrative of Chinese life and manners. We will start from the hotel, which notifies its whereabouts by a high flagstaff and a most demonstrative banner. The street we follow is bounded by the garden walls and entrances of several "hongs"—ornamented detached residences, resembling a little the villas in the Regent's Park. Our path is through a crowd of jostling coolies. They are carrying, balanced on their bamboo poles, chests of tea, bales of silk, bricks of Sycee silver, and burdens more multifarious. It is hard work. They earn by continuous labour nearly eight shillings a day. But a man is worn out in about seven days, and he then retires on his econo-

mies, and enjoys his hardly-earned leisure upon a small plot of ground in the interior. We now see them at full work, loading and discharging cargo. Each as he goes emits a sound like the moan of a man in pain, "Ah hol ah hol!" From early morning till evening this chorus of sorrowful sounds fills the air. It is a more multitudinous and monotonous than the croak of the frogs in the swamps—than the harsh, grating cry of the cicade upon the boughs. The habit, as far as I can discover, is confined to this port; but a Shanghai porter can no more do his work without his "Ah ho" than a London paviour can get on without his "Ho ho!"

When the English first came here, the house-servants brought up the soups and the legs of mutton singing "Ah ho" in procession through the dining-room. This was promptly put down; but the out-of-door chorus still proceeds....

The Bund is described as a broad embankment with 70 square-rigged vessels lying at easy anchor in its noble reach. In the outer courtyard of the Custom House the Taotai's suite is to be found, for evidently the great man is within discussing some important matter. His escort are armed but not too well dressed in spite of their mandarins' caps. Two of them had enormous gilt hares on their heads and pheasant feathers protruding from behind. The party included two executioners whose distinctive garb consisted of black cotton caps, dark costumes, and iron chains worn like a sword-belt. Within the Custom House the scene is described:

.....There is incense-burning, and priests are chanting. Mandarins with white or red buttons to their caps, silk dresses,.... are knocking their heads upon the ground before a little joss. It is a Chinese ceremonial day. They have turned the custom-house into a joss house for the nonce, and are come here to "chin-chin" the God of Wealth, which means to pray for a good harvest of import and export duties. The rite is soon performed; the Taotai comes forth; the procession is formed. It would look splendid in drawing or photograph.... Taotai mounts his pony, the large crimson parasol is raised above his head:—"Interea signa turpe militaria "Sol adspicet conopium"—and the cortege moves off.

Shanghai in those days lunched at 1.30 and Shanghai did itself well:

.....No lack of good dishes or of pleasant ice drinks at a Shanghai tiffin. Where the junior partner, with his employees of silk-inspector and tea-taster, and book-keeper and clerks, holds a separate mess, the allowance from the house to that mess is never less than fifty Shanghai dollars per month per head, or something more than £200 a year to each employed for the table alone. We may enter boldly. There is no chance of finding people making shifts with small commons in China. There is this great charm in European society at all the ports. Everybody is able, and is, indeed, obliged, to have a lordly indifference to expense. They cannot contrive to keep up appearances. The profits are large and the expenditure is great—laissez aller.

Tiffin, however, is dismissed as a bad habit and the author prefers a light lunch in order to keep himself in good trim for his further investigations. So he visits the Chinese city, admires a wedding ceremony, and finally betakes himself to the tea gardens and then back to the Bund, where in the twilight the European population are taking their exercise:

.....The merchants and their wives are returning in carriages or on horseback from their ride round the race-course, or are walking; the missionaries and their wives are riding up and down on their ponies. The shadows grow deeper, and you can scarce recognize your acquaintances as they pass.

And then it is time to dress for dinner and bring the Shanghai day to an end.

He throws casually a light on the change from summer to cold weather in the course of a dissertation on clothes. Discovering that the coolie's breeches cost him 200 cash in the summer, but for winter wear the expenditure is to be five times that amount, Mr. Cooke suggests that Manchester should come to the rescue, but with sound judgment he advises the Manchester manufacturer to study the needs of his customers and not

FUKIEN DRUG RACKETS NOT JAPANESE RUN

Chinese Peddlers Pose as Formosans: Protection Sought: Heroin, Morphine Traffic Spreading

By HALDOR HANSON

Let no one mistake one fact: the Japanese Formosans are not the only people responsible for the rackets of Fukien. One has only to study the import list of drugs in the province to discover a very different picture.

The present monthly consumption (August, 1936) of opium and drugs in the province of Fukien is as follows:

Fukien mountain opium	200,000
Red (Persian) opium	12,000
Szechuen (national monopoly) opium	150,000
Morphia	10,000
Heroin	9,000
Cocaine	5,500
Unrefined cocaine	18,500

Before analyzing this sizeable market, it might be well to state that I have visited the opium shops in one of Amoy's eighteen underworld districts, each guarded by a gang of Formosans; and have seen the packages of Government (Szechuen) opium bearing the official tax stamp sold in the same shop with the illegal opium from the interior of Fukien. The 150,000 ounces of national opium go to Fukien by two routes. That for Foochow and the northern half of the province travels by chartered vessels from Shanghai to Pagoda Anchorage, and is exempt from Customs examination. For Amoy the opium travels north from Pakhoi, Canton, and Hongkong. Throughout the entire province it is distributed by the Lu Tung Company, a combine organized by Yeh Ching-ho. The wholesale cost of national opium is \$1.80 an ounce, and it retails for \$2.40 to \$2.70 depending upon use quality. A dab of opium in the smoking den, sufficient for four or five pipe-fulls, costs 20 cents.

Local opium is a surplus stored in mountain caves previous to the suppression of poppies in 1932. At that time the opium monopoly investigators estimated the supply at 32,000,000 ounces. The consumption of opium in 1933 and 1934 was officially estimated at 10,000,000 ounces, of which only 1.8 million was imported. In 1935 consumption dropped to less than seven million, largely through the public censure aroused by the national anti-opium drive. But the decline in opium was compensated by an increase in drugs, as I shall show shortly.

This local opium is now being distributed from Tung An, An Hai, Nan Hai, Hui An, Yun Hsiao, and Chao An, of which Tung An is the best quality. All local opium is cheaper than Szechuen opium, and is therefore very popular.

Persian Opium Illegal

Red or Persian opium is illegal, but one hundred chests each weighing 1,920 ounces reach Amoy every month. It is shipped from Macao in small motor boats, landed along the south-

endeavour to impose his own ideas of fashion on the Chinese. The suggestion is that if Manchester could make blue breeches as strong as they are now made and cheaper than they are now sold, the Chinese would gradually surrender to Manchester the trade, grow less cotton and more rice. It is to be feared that this easy solution of the economic problems of China has not yet found favour, and here comes the climatic comment:

.....On the 17th of September a north-west wind reduced the thermometer to the inclement wintry position of 74° Fahrenheit. That morning the Chinese population of Shanghai was completely defied. The shorn skull, which had defied the fierce summer sun, was covered from the cold by a small warm cap or a Chinese bonnet. Some of the chair-coolies had even covered their legs. But every man of decent station appeared in a thick loose dark-coloured tunic or cape. The shape and fashion varied only from the cape to the tunic, but the material was very various. The great majority were satisfied with a thick dark-blue cotton cloth, but many wore woollen cloth; some luxuriated in quilted silk, and a few came forth in capes of black velvet. Do you think that these sensitive celestials ever asked, when they bought their winter's grab, in what country's loom the fabric was spun? Not they. They chose the cheapest and the best.

Finally, the account of the visit in Shanghai is brought to an end with a strong exhortation to the British Government to open up the Yang-tse-Kiang so that Shanghai might be a most important place both to them and their successors for many a generation.

ern coast of Fukien at Chang-ou, Fou Nan Chiao, Yung Hsiao, Chao An, Tung Shen, Quemoy, Tou Mei, and Wu Yu, whence it is reshipped in native junks to Amoy. It is dearer than Szechuen opium, wholesaling for \$2.50 an ounce compared with \$1.80. But Red opium yields 85 per cent. concentrated drug, whereas Szechuen opium produces only 72½ per cent.; for this reason nearly all this illegal opium is made into morphine in secret factories of southern Fukien.

So much for the opium market. The sale of concentrated drugs is a development of the last three years, and is spreading rapidly because morphine, heroin, and cocaine are more easily used and leave no earmarks on men in official life who dread the stigma of opium smoking.

Heroin is smuggled into Amoy from Formosa packed in tins weighing 18½ ounces each. The imports have risen from 300 to 500 tins in the past six months, which gives some idea of the expanding market. The heroin habit is as yet confined to the Amoy area. I inquired in more than a hundred opium shops of Foochow, but was unable to buy any heroin or morphine; cocaine they offered to procure from a physician. As in Hopei the heroin is made into three forms: (1) red pills, (2) white flour, and (3) anti-opium pills. The pills are smoked in a pipe, while the flour is generally inserted in a cigarette. The Formosan heroin sells for \$1.30 an ounce.

(As I write this article on shipboard off the Fukien coast, there are three grey-uniformed national soldiers almost at my elbow giving me an unsolicited demonstration of how to smoke "pai mien" heroin.)

Four Morphine Factories

Morphine, as I mentioned before, is made from Persian opium in secret factories. There are at present four known to the opium monopoly, located at An Hai, Hui An, Changchow, and Amoy. The factory in Amoy has just been opened by Formosans, and its production is as yet unknown; but the other three factories combined are producing between 800 and 1,000 pounds of morphine a month. It is very cheap, costing only \$20 to \$30 a pound; the principal users are rickshawmen.

Genuine medicinal cocaine is not popular in Amoy because of its high cost, but an average of 300 tins, each weighing 18½ ounces and worth \$600 apiece, are imported from Formosa or Kobe for reshipment to the Chinese communities in the South Seas and Malaysia.

There is a cocaine product, however, which has recently become very popular in southern Fukien. It is a cheap unrefined cocaine from Formosa, imported legally with a Customs duty of \$4 a tin, and usually mixed with the locally made morphia. The present consumption exceeds a thousand tins a month, valued at \$50 each. The importation is made by physicians under fraudulent declarations for medicinal use.

Thus I believe the conclusion is justified that the grave increase in concentrated drugs must more than outweigh the steady decline in opium, and the tendency of the background is increasing. Numerous people report that Formosans are administering free morphine injections as a cure for opium, which would seem quite possible in the light of the above statistics. The only hopeful result of the decline in opium is the increasing willingness of the Government to suppress all drugs, because an ever smaller percentage of the profits is accruing to the national treasury. No one would be willing to guarantee, however, that the Lu Tung Company in Fukien, nominally the national opium monopoly, is not dealing in all forms of illegal drugs.

Formosan Background

If anyone cares to assess the degree of Japanese responsibility for this hurried racket, he must first understand clearly the background of the Formosans. The present Formosans are descended from families originally living in the Amoy-Chuangchow area of southern Fukien. Under the patriarchal family system they still regard Amoy as their home, and their dead are returned to China for burial. Thus a family may have ten members, of whom five are receiving Japanese protection in their business as Formosan subjects while the other half are legally Chinese and subject to Chinese laws. The natural tendency is to use the name of the Formosan subjects in conducting all the affairs of the family, thus avoiding both taxes and police interference.

Some families have no Formosan relatives, but there are two ways

(Continued on page 427.)

HOKKAIDO, THE "REAL JAPAN"

Quite Different from the Rest of the Country: Crater Lakes and Primæval Forests

FROM A CORRESPONDENT

It is pity that Hokkaido, or the Northern Island of Japan, is so little known to foreigners, for many Japanese have told me frankly that they consider Hokkaido to be the "real Japan." Tokyo, Osaka, Kyoto, and the country around these great modernized cities, they say, "are no longer typical of the true spirit of Nippon. If you want to see our people at their best come to Hokkaido."

Certainly Hokkaido, very much in the public eye this season owing to the proposed visit of the Emperor for the first time in fifty years, is quite different from the rest of Japan. It has pasture lands reminiscent of English meadows, mountainous regions like Switzerland and National parks with geysers, volcanoes and trout streams like Canada and the United States. Even geologically it belongs to a different sub-region from Japan proper and differs in most of its characteristics from the main island.

A temperate summer climate, beautiful scenery, good fishing and, in winter, excellent skiing, would make Hokkaido an ideal holiday resort were it more accessible and a little more comfortable for travellers. But living conditions, except in Sapporo, the capital, are still primitive. Distances are great, trains are slow, roads are bad, English is little understood. One must live entirely as a Japanese and most westerners find a breakfast of soup and bean-curd discouraging.

If, from the point of view of comfort, Hokkaido has all the defects of a new country, it has also the qualities of a new country. Few if any old temples or monuments exist but the people are honest and independent. Sapporo is laid out on the lines of a modern American town with wide streets, parks and playgrounds because it is only about seventy years old. Twenty miles beyond its suburbs one may drive through primæval forest on a semi-motor road which a few years hence will probably develop into a well-graded highway.

Startling Contrasts

Indeed, throughout Hokkaido contrasts are startling. On distant mountain lakes motor boats are found fitted with old Ford engines. Break-downs are frequent but Japanese travellers have plenty of patience. On one occasion when a man who described himself as "engineer with little English" informed us "This motor boat can not go. She is not well," the whole group of expectant passengers calmly waited two hours on the shore for the motor's convalescence, without the least signs of fretfulness.

In the Ainu villages, the huts of these peaceful aborigines are invaded by parties of school boys or railway employees conducted by a Japanese guide to learn their "ancient customs."

At Hakodate, the usual port of entry (by ferry from the main island), there are fine wharves, but no decent hotels since a great fire several years ago destroyed half the town.

It is a beautiful city, from the scenic point of view, built at the foot of a great rock crowned by a fort, and therefore often called the "Gibraltar of Japan," but except for the view of its wonderful bay, there is nothing of interest in Hokkaido. Even our taxi driver, evidently a product of the "great open spaces" if one might judge by his free-and-easy manners and his costume, consisting of a singlet, dirty khaki trousers and wooden clogs that clicked as he manipulated his brakes, remarked, "You can see the whole of this town in ten minutes unless you want to go to one of the two Trappist monasteries. The women's monastery will be two yen fifty worth of driving and you will not be permitted to enter when you reach it. The men's monastery will be a ten yen drive and in addition an hour's trip by small steamer where the sea is always rough." We declined to visit either and asked him to go instead to a shop where we might buy some of the famous Trappist cheese. "Sorry," the shop assistant said, "we have no male cheese to-day. Will you take female cheese instead?" By all means. What does sex appeal matter in cheese? We learned later that the female cheese is made by the nuns from goat's milk, the male by the monks from cow's milk.

Lovely Lake Region

Not far from Hakodate is a region called "The Lakes," now turned into a national park. Here are three lovely, deep blue, crater lakes, two of them connected by a narrow passage over which a railway runs. Their shores are laid out as gardens, and some of the picturesque islets, dotted with pines and luxuriant ferns,

are connected by lacquer bridges. To our surprise, two large bronze statues of Admiral Togo and General Oyama, rise up out of the wilderness, looking utterly incongruous.

A spectacular volcano, Koma-gake, overlooks the lake. It is still very much alive and not always a comfortable neighbour, as the villagers who live on the mountain side know to their cost. Less than ten years ago a big eruption which sent them hurrying across the lake for safety altered the whole lip of the crater and denuded one slope of all its beautiful trees. Since then Koma-gake has been known locally as "Burning Mountain."

The whole of Hokkaido is dotted with volcanoes, both dead and alive. Beautiful Lake Toya, with its surrounding forests filled with singing birds, was seriously threatened in 1910 by a violent eruption of Usu-dake, the nearest volcano, which rises between the lake and the sea shore.

Nobori-betsu, the fashionable Japanese spa which lies at the head of a beautiful wooded valley, boasts a crater just behind its best hotel, a crater which presents a weird spectacle of volcanic energy. Divided by a wall of rock into two parts, this crater has a floor covered with steaming fumaroles, miniature geysers and pools of seething grey slime. Towering above it are perpendicular red cliffs edged with green trees. The vivid greens, blues and brilliant yellows that streak the rocks, and the fantastic shapes of lava cones, combine to make this crater one of the finest sights of its kind. Notice boards set up by the government warn people where it is safe to walk and where the volcanic crust is thin, and local photographers are always ready to snap tourists against a background of hissing steam jets or boiling sulphur springs.

A National Park

Even more beautiful are the volcanic peaks and lakes of the wild Akan National Park, newly opened to the public. Here one might well imagine oneself in Switzerland or even the American Rockies, for the outstanding features of this district, in the wildest and extreme north-eastern part of Hokkaido, are high snow-capped peaks, deep sapphire blue lakes and magnificent forests. For those who do not mind rough accommodation, Akan Park is well worth a visit, since it caters to all tastes. Botanists will find rare plants and Alpine flowers; walkers may follow endless trails through the woods; skiers and skaters may enjoy clear ice and perilous slopes; sportsmen can still shoot trout and fishermen catch salmon trout in plenty; but company there is none, except for a few Ainu living in miserable huts on the shores of the lakes.

Far removed from civilization, pushed back into this last wilderness, these gentle aborigines lead a miserable livelihood by hunting and fishing. One hears them morning and evening singing their mournful songs as they launch their boats—the pathetic laments which a Japanese writer describes as "suggestive of the racial extinction of which they are on the brink."

Perhaps the greatest of all the contrasts which give one such a thrill when travelling through Hokkaido is the abrupt transition from a wilderness like Akan, to Sapporo, with its fine foreign hotel, its neighbouring orchards cultivated according to the most modern methods, and its Government experimental farms.

As far back as 1888, the first of these farms was started under American management. Nowadays there are several entirely run by the Japanese themselves. The magnificent horse-breeding establishment has imported Anglo-Norman and Percheron sires which are bred out to the farmers to improve the local breed. These stallions are kept in fine, modern stables, each with a window in his stall and a private paddock opening off it. No mares or foals were to be seen, but the overseer explained to us that "the ladies and children are absent now on the hill-side pastures."

Cattle Farming

On the cattle farm we saw over thirty Ayrshire and Holstein bulls, the finest, a superb black and white, was imported, they told us, from America at a cost of G.\$6,500 at a time when gold meant gold. A fine modern dairy was selling milk and butter at cut prices, as the government wishes to teach the people to include these in a national diet at present known to be lacking in fats. Merino sheep, which will not live in the south island owing to the prevalence of bamboo grass, are also being bred in Hokkaido. Potatoes,

too, are being cultivated and the farmers are encouraged to grow these instead of rice for which the climate is less suited.

Small experimental farms are being established near some of the larger villages but these are not proving the success expected because although the teacher, assisted by artificial fertilizers, can grow wonderful crops, the farmers are too poor to profit by his example. Land-holdings are miserably small, an average of two and a half acres per family, and eighty per cent. of Hokkaido's farmers are said to be heavily in debt as apparently farmers always are. The Government will doubtless do something to remedy this as soon as it has time for the Japanese Government "neither slumbers nor sleeps, but keeps an ever-watchful eye upon its people." From the survey trips marking the summits of the peaks and the steel towers carrying power wires over them, to the warning placards telling one where not to walk in craters, and how far to swim from beaches, every thing is supervised and planned to guard the nation and increase its efficiency.

CRIMINAL'S OWN TRADE MARK

Modus Operandi Section of Police Know Them

SPECIAL TO THE "N.-C. HERALD"

When any fairly complicated crime is committed by an habitual criminal, the culprit usually leaves his visiting card.

The visiting card may be in the form of a certain manner of entry (in the case of a burglar), a certain manner of approach (in the case of a trickster), or the crime itself may be unusual; the work of a specialist alone in his particular field.

Criminals usually stick to a certain type of crime. Pickpockets, for instance, do not turn to kidnapping or fraud; they adhere to the one enterprize for which they have trained themselves.

Because criminals are creatures of habit (like all other members of the race) every large police force in the world has a *modus operandi* section which classifies habitual wrongdoers and makes it easy to recognize it when they have been at work. In the Shanghai Municipal Police, this activity is a division of the Crime Branch, and through the courtesy of Mr. S. C. Young, Deputy Commissioner, a "North-China Daily News" reporter was permitted yesterday to investigate its workings.

The "m. o." section identifies criminals by means of the methods employed by them. Not only does it help detectives to find the persons they want, but it also tends to perfect charges against criminals already under arrest. A certain offender may insist that he has never been arrested before, yet the index system will prove him to have committed the same crime, in the identical manner, many times previously. On each occasion he has put his personal chop on the finished product. History repeats itself.

Many Kinds of Burglars

Take burglaries in the Settlement, for instance. Burglars usually will employ the same method of entry—climbing, cutting, digging, breaking through doors, through windows, moving shutters, etc.—there are fourteen main divisions and about seventy subdivisions classifying burglars in the files of the Municipal Police. There are burglars who use rope, who use ladders which they find on the premises, who carry their own ladders (cut burglars). There are those who raid the pantry and have a good feed before they leave the victim's house. And many other kinds of burglars.

Under the heading of burglars and larcenies by trick, there are about thirty subdivisions. Robberies are classified according to the dialect of the perpetrators, the mode of entry, and any peculiarities exhibited.

Counterfeiters and coiners also have their distinguishing marks, which are minutely described in the records. "Specialists" are those who go after a certain kind of crime and no other. They are listed according to the type of property they favour. There are comparatively few such criminals in Shanghai.

When any habitual criminal is sent to gaol, his index card is transferred to the "Gaol File" and a card bearing merely his *modus operandi* number is substituted in the general file. When he gets out again, his card goes "back into circulation" and the Police are on the look-out for him should he resume his career.

Tokens and Coppers

One of the "specialists" now in the Ward Road Gaol is a former Bus Company employee who has a predilection for tokens and coppers. When he was sentenced his career included fifteen charges of theft of this type. He knows the habits of

ROMANCE OF STREET-CLEANING

Nearly 200 Miles Covered Daily in Settlement: Check Kept on Army of Coolies

(The following article on the task of keeping the streets and alleyways of the International Settlement clean is based on information furnished through the courtesy of the Commissioner of Public Works.)

SPECIAL TO THE "N.-C. HERALD"

The cleaning of Settlement roads may seem at first sight too simple and prosaic to be of any interest to the general public, but while it provides no great thrills and does not call for a high degree of engineering knowledge, a little consideration will show that the daily cleaning of nearly 200 miles of roads and alleyways requires a good organization and careful and reliable supervision if it is to be, as it should be, both efficient and economical.

As the result of step-by-step revision over the last few years, the procedure followed may now be said to have reached this condition, and a brief account of it may be of interest.

Of the 183 miles of roads under the control of the Council, 149 are cleaned daily, as well as 35 miles of public alleyways.

Some 900 coolies are engaged in this work and as they are distributed all over the Settlement, and from the nature of their work constantly on the move, it would seem an easy matter for many of them to spend a large part of their day in a tea shop or engaged in other work.

The "Beat" System

In reality, it is very difficult for any coolie to shirk his work. Each man is given a "beat" for which he is responsible, the length of the beat depending on the population density and type of property, the shortest beat being 100 yards and the longest 1,900 yards.

They are mustered at the depots at 5.45 a.m. and each coolie is provided with a bass broom, a bamboo pan, a soft broom, a "fungky" (or dust pan), a red coat and a mackintosh.

His first duty is to see that all the footways on his "beat" are cleansed of dust and litter, everything being swept into the channel at the kerb side and collected there by sweeping with a bamboo broom. This work which inevitably raises some dust, has to be completed by 7.30 a.m. before the general public is abroad.

After this early cleansing, the litter that collects throughout the day can be swept up by a soft broom made of the soft hairy bark of the palm tree which raises no dust if properly used.

During the tiffin interval, 11 a.m. to 1 p.m., relief coolies, from other work so organized as to provide them, carry on the cleaning until the regular sweeping coolies return. After 1 p.m. the pavements are again swept with the bamboo broom followed by soft broom sweeping for the rest of the day.

In wet weather the soft broom cannot be used and the hard bass

bus conductors and has committed his thefts while on moving buses as well as in the stations where conductors deposit their receipts. He is only a young man and when he finishes his goal term it is not improbable that he will try working his "speciality" again.

Under the heading of Larceny by Trick is a man who abstracts chromium-plated signs from Chinese shops on the pretence that he has been sent to clean and repair them. He perpetrated the crime four times before he was finally trapped by his adherence to this type of theft. He is now serving a ten months sentence in the Ward Road Gaol. He developed his "speciality" after having been unsuccessful as a thief of the bogus workman variety.

Sometimes a gang specializes in robbing a certain type of premises. Last year, for instance, the Police were able to connect a band arrested for looting a wine-shop with four other wine-shop robberies.

Other Specialities

Under "specialists" also are listed garage thieves, persons who take away telephone cable, motor-car batteries, motor accessories or electric fans, and hat thieves. The hat grabbers again are divided into classes according to the localities in which they perpetrate their crimes. One man, for instance, chose a certain large theatre for his operations and when he was arrested eleven charges of stealing hats there were preferred against him. Others snatch hats from passengers in buses, trams and trolley buses, from outside, as the vehicles start. This kind of theft, usually committed by boys with good running legs, naturally is not possible in winter when tram and bus windows are closed.

A fairly recent innovation is the keeping of a separate file of all individuals according to the type of crime and method used. It is a pretty thorough system.

broom, of the usual western type made of West African bristle, is used instead. At certain points barrows are placed to hold the litter until it is collected by lorry. Many of these barrows have recently been dispensed with, the sweepings being placed in receptacles in alleyways and removed by House Refuse Collecting Coolies.

Nuisance coolies and public alleyway sweepers work on a rather different plan, each man being given an area within which he must work to a time schedule which permits him being checked on his work. In addition to sweeping and cleaning public alleyways, these coolies attend to nuisances on vacant ground, and clean, far, and disinfect all urinals, official and unofficial, of which there are 4,046 in the Settlement.

Street Gullies

These are cleaned of gully deposit by gangs, each of seven coolies and a foreman working with a motor tank lorry, and they, like the alleyway sweepers, work on a time schedule, so their position is known throughout the day.

There are nearly 14,000 street gullies in the area and 650 are cleaned every day.

Every gully is, therefore, cleaned once in three weeks. It is hoped almost to halve the cost of this work, as it has been found possible to make an alteration in the street gully, when in situ, which will double its capacity for deposit.

Motor water wagons and mechanical sweepers all work on a time schedule. More watering has been done this summer to reduce the temperature of the asphalt road surface, which on hot days rises to over 140 degrees Fahr, and gets sticky. This is a pleasant alternative to "sanding" which, though more permanent, creates dust.

Pavement Washing

This is done by gangs working on a time schedule and they wash about 35 miles of pavement a day.

The necessity for pavement washing arises from the common habit of nose blowing and spitting which is a feature of "Shanghai throat" and other more serious diseases.

The frequency and extent of pavement washing are not easy to decide. Areas of wet pavement on a fine day are not agreeable to the cloth-shod pedestrian.

Jetties, pontoons, tram rails, tram boxes, and pavement tubes, are all cleaned daily, and the bases of the statues on The Bund and War Memorial are washed twice a week.

The abuse of the tools used by the coolies has been carefully guarded against by determining the standard life of every tool, from experience. The life varies slightly with the dirtiness of the street, and the presence of hawkers or food shops, while the area swept has but little effect. Records are kept of all tools used on each street and new tools are never issued before expiry of the "standard life" without an enquiry as to whether this is the fault of the coolie, the make of the tool, or other special circumstances.

The strict carrying out of this procedure has made possible great economy in the annual cost of tools for street cleaning.

Discarded Pistols

The P.W.D. is sometimes called upon to find lost property, and wrist watches and keys discovered in the road are often returned to their owners. Occasionally a bandit, feeling he would be safer without it, drops his pistol on the road. Some half dozen found in this way are handed over to the police every year.

It is not easy to give a clear idea of the amount of litter collected from the roads. It is chiefly light-weight refuse like paper and straw and leaves, but the weight is about 6,000 tons a month.

Only those who, arriving in the early morning hours, drive through the town before 6 a.m. when the streets have not been cleaned since the previous evening, have any idea of what they would look like if for a few days the work of cleansing ceased.

The new exhibition halls for the Arts and Music Institute at Nanking, which will be used for the National Assembly on Nov. 12 this year, are expected to be finished by the end of next month. The seating capacity will be about 2,600 in the main assembly hall, while the dining halls can accommodate approximately 2,700 guests at one time.

CHINA'S SKIES FOR SEPTEMBER

- 2.—Saturn in conjunction with Moon, 7 p.m. S. 7° 35' S.
- 5.—Mercury at greatest elongation, 29° 39' E. midnight.
- 6.—Uranus in conjunction with Moon, 1 a.m. U. 4° 34' S.
- 9.—Jupiter in quadrature with Sun, midnight.
- 9.—Neptune in conjunction with Sun, 6 p.m.
- 12.—Saturn in opposition with Sun, 10 a.m.
- 12.—Mars in conjunction with Moon, 5 p.m. M. 5° 31' N.
- 15.—Neptune in conjunction with Moon, 7 p.m. N. 0° 25' N.
- 16.—Mercury and Venus in conjunction, midnight. M. 4° 59' S.
- 18.—Mercury in conjunction with Moon, 2 a.m. M. 0° 59' N.
- 18.—Venus in conjunction with Moon, 6 a.m. V. 5° 55' N.
- 18.—Mercury at a stationary point, 1 p.m.
- 22.—Jupiter in conjunction with Moon, 4 a.m. J. 1° 16' N.
- 23.—Sun enters Libra, 1 p.m., autumn Commencement.
- 30.—Saturn in conjunction with Moon, 3 a.m. S. 7° 55' S.

CONSTELLATIONS AT 9 P.M.

In the north: Cepheus and Cassiopeia are east of the meridian, Draco and Ursa Major west; in the East, Andromeda and Pegasus are midway, Cygnus and Aquila on the meridian, Lyra is past, in the West: are Hercules, Ophiucus and Corona, and Bootes Sinking to the horizon. Along the Zodiac: Aries is rising. Places well up, Aquarius midway, Capricornus on the meridian, Sagittarius is past, then Scorpius, and Libra is setting. In the south is Pomalhaut. The Milky Way passes the zenith, crossing the sky from N.E. to S.W.

PHASES OF THE MOON

1.—Full Moon	8.37 p.m.		
8.—Last Quarter	11.14 a.m.		
16.—New Moon	1.41 a.m.		
24.—First Quarter	6.12 a.m.		
3.—Moon in Perigee	4.50 a.m.		
19.—Moon in Apogee	8.40 a.m.		
RISING AND SETTING OF THE MOON			
Day	Rises	Souths	Sets
6.—9.24 p.m.	3.17 a.m.	10.44 a.m.	
13.—3.14 a.m.	9.57 a.m.	4.32 p.m.	
20.—9.30 a.m.	2.58 p.m.	8.15 p.m.	
27.—3.14 p.m.	8.54 p.m.	1.34 a.m.	

Aspects of Principal Planets

Mercury, being at greatest elongation on the 5th, is an evening star for the greater part of the month, and may be observed after sunset during the first weeks; afterwards it sets shortly after the sun. Sets on 1st at 7.27 p.m.; 16th at 6.51 p.m.

Venus, like Mercury, sets in the early twilight, due W. at the beginning of the month. It passes the equator on the 6th, and about 3° north of Spica on the 22nd. Sets on 1st at 7.16 p.m.; on 16th at 7.05 p.m.

Mars is a morning star rising before dawn. It moves from Cancer into Leo, and passes about 1° north of Regulus on the 24th. Rises on 1st at 3.41 a.m.; on the 16th at 3.26 a.m.

Jupiter sets now before midnight in the constellation Scorpio. It will be seen between south and southwest in the late evening. Magnitude —1.8 to —1.6. Sets on 1st at 11.20 p.m.; on 16th at 10.25 p.m.

Saturn, being in opposition with the Sun on the 12th, passes the meridian at midnight, and may be observed the whole night. Its rings are nearly invisible even in a telescope. Rises on 1st at 7.02 p.m., on 16th at 5.53 p.m.

During this year the rings of Saturn will disappear twice. The plane of the rings coincides with that of the planet's equator, but is inclined about 28° to the ecliptic. In its revolution round the Sun, the axis of Saturn remains parallel to itself, the Sun sometimes illuminates the northern and sometimes the southern face of the rings. At Saturn's equinoxes, only the edge receives the light and the rings are invisible in a telescope because the thickness of the rings is less than 100 miles.

At the beginning of this year the breadth of the illuminated northern face of the rings was 7°, and it decreased to 0° on June 28-29. At that time the Earth was in the plane of the rings which showed us only their illuminated edge invisibly. During the following months the breadth of the illuminated northern face increases again to 3° on November 16, and then it decreases definitely.

On December 28-29, the Sun being then in the plane of the rings, they will disappear again to us, because only their edge is illuminated by the Sun. After this time the Sun begins to illuminate the southern face of the rings, but we will continue to see only a very small part of the now dark northern face, and the illuminated edge will February 21, 1937, when we have passed again the plane of the rings. The disappearances happen at intervals of 15 years: at times midway between the rings are seen most favourably.

To meet the demand for modern accommodation for tourists who flock to Hangchow every year from all over the world, two Chinese merchants are shortly planning to build a new hotel on the island known as Hu Hsin Ting, situated in the centre of the West Lake. It is stated that permission for the rental of the island has been granted by the Hangchow authorities.

Sixty Years Ago

FROM THE "NORTH-CHINA DAILY NEWS," OF AUGUST 26, 1876.

Prickly heat is one of the discomforts incident to life in the East. Any simple remedy would be gladly welcomed, and Surgeon Major French appears to have found one. Dr. French, in an article in the Indian Medical Gazette, states that painting the parts affected with a solution of sulphate of copper—ten grains to the ounce of water—is an almost certain cure, and that all his old patients use it regularly. He advises its application immediately after a bath when the pores are open, and that it should be freely applied with a brush or sponge, and allowed to dry on the part. If the disease is very severe it should be applied twice a day; but if not, once a day for about four days effects a cure. He does not believe in the old idea that driving in, or checking prickly-heat, does any harm, and points out that the use of alcoholic drinks and high-living always induces attacks in those liable to it. Flannel next the skin makes it worse by keeping the perspiration in contact with the body, and he advises cotton or linen to be worn.

FROM THE "NORTH-CHINA DAILY NEWS," OF AUGUST 27, 1876.

The Trustees of the Shanghai General Hospital beg to notify to the public that patients will be admitted to the above institution at the following rates (which includes doctor's attendance and medicine).

1st Class—Private Rooms with every possible comfort, Tis. 3 per day.

2nd Class—Not more than five patients in one ward Tis. 2 per day.

3rd Class—From 12 to 20 patients in one ward, \$15 per day.

Report says that about a lakh and a half of dollars were expected by the Melkong, that two lakhs are looked for by the Kashgar, and four lakhs from California.

The P. & O. steamer Kashgar, with the incoming English mail, left Hongkong yesterday, at 5 p.m. She brings 1,440 chests of opium.

FROM THE "NORTH-CHINA DAILY NEWS," OF AUGUST 28, 1876.

As may appear in doubt as to the exact position proposed for the Cathedral tower and spire, the following particulars may not be uninteresting.

It is proposed to place the tower at the N.E. corner of the Cathedral in a line with the E. face of the main building, and the face North of it; it would therefore be unnecessary to disturb the present walls. The tower would be connected with the Cathedral by a short covered cloister. The height to the top of the spire would be one hundred and sixty feet, to the top of the tower, 88 feet; to the centre of the clock 67 feet. At this height the clock would be visible from a great part of the river, and for a considerable distance in the centre of the Bund, that is, between Kikiang and Hankow roads. The cross on the East cable of the Cathedral can now be seen for a part of this distance.

In so general a position as the Cathedral Close, the clock would be visible from some part of almost every residence in the settlement.

If sufficient money cannot be collected to complete the whole, the tower might be built without the spire and covered with a temporary roof, which could be made presentable, and even to look as though no spire had been contemplated. It is proposed to fix a brass plate in a conspicuous position, setting forth that the tower and spire were built as a memorial.

FROM THE "NORTH-CHINA DAILY NEWS," OF AUGUST 29, 1876.

From Hankow:—A correspondent complains of the imposition of a new tax at a place called Ling-wei-kwan, some distance above Hankow. Boats carrying foreign-owned produce under transit pass are, he says, mulcted there in a special squeeze of Tis. 11.50 from which native-owned cargo is exempt. Some writers have a quantity of Lily flowers detained there, because payment was resisted until instructions could be asked. The result will be that the cargo, when it comes down, will be rotten; and yet the pass is given only under the special condition that the produce shall be exported. Not only will he be subjected to the squeeze and to the damage entailed by the delay, but he will be required to export rotten cargo under the letter of the treaty. He has no remedy, because the people at the barrier refuse to give a receipt, so no proof can be brought in support of a claim. The boats are coming from a place called Honan-sung. The usual barrier fees are—at Chin-yang 3,150 cash, Shen-1,250; and Wei-win 1,550. The Ling wei barrier was only started on the 1st of the 6th month.

FROM THE "NORTH-CHINA DAILY NEWS," OF AUGUST 30, 1876.

Admiral Lambert was to leave Chefoo with the two frigates, the Narcissus and Immortalité, on his way to Woosung, where the Newcastle and Topaze are now lying. The Flying Squadron probably remain in the vicinity of Shanghai for some time to come.

The erection of the new iron bridge over the Yang-king-pang, at the Bund, is delayed by a combination among the

FUKIEN DRUG RACKETS NOT JAPANESE RUN

(Continued from page 425.)

they can secure Japanese protection. The first is to bribe a Formosan to lend the use of his name for some Chinese undertaking; this Formosan receives a monthly share of the profits and in return affords protection to the business whenever the police interfere. The second method is the illegal acquiring of Formosan citizenship papers by bribing Formosan notary publics to swear that the Chinese applicant is actually a resident of a certain place in Formosa. This last practice is very common, though strictly speaking it is not a Japanese crime but Formosan. The Fukien opium king, is among the large number of Fukienese who secured Japanese protection in this way.

The People's Nature

The legal complication is worse confounded by the naturally racially character of the people in the Amoy area, which can rationally be called a home of pirates, smugglers, kidnapers, and murderers. In Chinese history Foochow was famous for tea and Amoy for bandits. Thus you have a criminally inclined population, a few of whom have acquired Japanese citizenship, and are now utilized by the entire population of Amoy as a shield for underworld activities.

Take opium for example. Out of 724 opium dens in Amoy, only 432 are registered with the Japanese consulate, yet every shop is displaying the sign "Japanese Hong" and claiming Japanese immunity from police interference. In other words there are 292 opium shops in Amoy which are really Chinese but are illegally using Japanese protection. The police are afraid to attempt any arrests because they do not know which shops are really Formosans and which are not. If a man on the street is stopped by a policeman, and claims he is a Formosan, he is immediately released without investigation, for fear of an "incident." Thus anyone in Amoy can claim to be a Formosan without fear of detection.

In the circumstances it is hardly fair to blame the Japanese for the drug situation in Fukien. In the first place the opium is all Chinese or smuggled by the Chinese from Hongkong; and it is sold to the Formosan shops by the national government opium monopoly. The Formosans are the willing scapegoats of the Government's inability to wipe out the opium traffic. In the second place the crimes for the entire Amoy district are heaped upon the 13,500 genuine Formosans who are living there, simply to secure immunity.

Japanese Unsympathetic

The Japanese consular authorities have not been entirely sympathetic with the Formosans. They recently closed every gambling house in the province (all of which were naturally exhibiting a Japanese sign). One well known Japanese official declared that 60 per cent. of the Formosans are criminals, and Japan would be only too glad to be rid of them all. The Japanese consular service is to be censured, however, for not making more thorough investigations into the applications for Formosan citizenship.

In one racket at least the Chinese have exceeded the Japanese, and under the sheltering wing of the Chinese police; that is prostitution. It was recently stated in Shanghai that Amoy has 64 Japanese brothels containing 350 Formosan girls. Each girl pays a monthly tax of \$6 to the Japanese consulate, which would be approximately \$2,000 a month. All that is true.

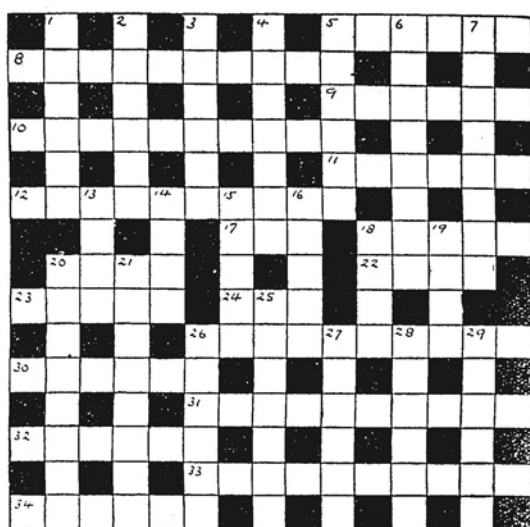
But the author of this statement had not heard that Amoy also has 1,700 Chinese prostitutes and singing girls, divided into four classes, and paying monthly taxes varying from \$4 to \$14. This revenue totals \$12,000 a month, which is nearly a third of Amoy's current budget. In 1924 when business conditions were better the prostitute tax produced \$19,000 a month, and was then nearly two-thirds of the city's income. In the circumstances we hardly dare whisper about a few Formosan competitors.

There are numerous other rackets in Fukien, such as blackmail, kidnapping, bus robbery, salt-smuggling, all said to be exclusively Formosan, but no doubt quite similar to the opium trade—a handful of Formosans lending protection to hundreds of Chinese. All in all, the underworld of Fukien is not so foreign as we have been led to believe.

Chinese to raise the price of granite. The Council proposes sending a work until they have finished their "rig." We ought to have the letter addressed by the Council to the Consul, in order to understand Mr. Medhurst's reply published with the Minutes. As it stands, it does not seem to tell us very much we did not know before, and suggests a suspicion that the Council's letter must have been rather pointless.

LONDON CROSS-WORD PUZZLES

(By Arrangement with the "Daily Telegraph.")

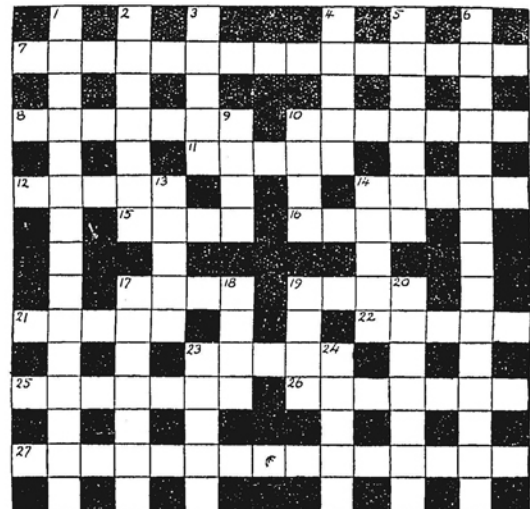


ACROSS

- 5 A tax
- 8 That might be imposed through this policy
- 9 With this many a political meeting ends
- 10 A sporting last line of defence
- 11 Show
- 12 Cricket fans may applaud it from it
- 17 The spirit of America
- 18 An enemy of economy
- 20 A bit of a com-mo-tion
- 22 This after want is in unre-strained manner
- 23 This girl is of interest in any country
- 24 A little drink?
- 26 This spirit is not for consumption
- 30 A real soaker
- 31 Should a well-trimmed ship move thus without spright-lyness?
- 32 A trifling orna-ment is com-pletely in a W. Country river
- 33 To evoke a faint odour is not quite trans-parent
- 34 Follow; secretly

DOWN

- 1 A kind of pro-tection
- 2 Illegally taken from the yacht-man's paradise
- 3 Gaining this lets one in
- 4 Show
- 5 Hardened custom
- 6 Not a neutral weapon
- 7 Want leaves its mark on the community
- 12 A songster
- 13 This lady has been very un-popular in England
- 15 Hardly symbolic of what is best
- 16 Vocal effort from the stalls?
- 18 This stolen coat is used for other coats
- 19 Not a smart young lady
- 20 Careless
- 21 The successor to the wooden walls of England
- 23 This kind of wind makes it as E.N.E.
- 26 Cut about measure, but mature
- 27 Called from ya valley upwards
- 28 This land has changed hands more than once
- 29 This London suburb might be genial



ACROSS

- 7 A barrow, per-haps (two words)
- 8 Many rocks are of this nature
- 10 No, this glass is not specially liable to be upset
- 11 Is this stubborn believer rather swollen-headed?
- 12 A kind of puzzle about a vehicle apparently
- 14 The guide that shows I am in the conspiracy
- 15 British island
- 16 Scottish port
- 17 Weary by excess
- 19 A headress
- 21 This Oriental is non-professional at last
- 22 This would be a great number of rupees
- 23 The best part by metaphor
- 25 This cousin of the heron ap-parently as-saulted another bird
- 26 Spoil the en-trance for a seaside resort
- 27 Taciturn

DOWN

- 1 This much-discussed ail-ance early shows some sign of feverish activity (Three words)
- 2 A funny bone?
- 3 Should one be clean after coming from this vegetation?
- 4 The kind of blow that would put a great number out
- 5 Famous old master
- 6 Reserved, or apparently pos-sessed of "evil spirits"
- 9 Material as-sociated with the law
- 10 Fuss that sug-gests action
- 13 Wittleism that may be an episode in a siege
- 14 The start of many a rout
- 17 The picture that shows nothing in a container
- 18 The sort of thread that it is hard to get from the 27
- 19 Shell-fish
- 20 This ship might become great if broken up
- 23 The joiner using this tool would scarcely claim to be getting on swim-mingly
- 24 Do competitors make light of this kind of contest?

The solutions will be published next week

SOLUTION OF LAST WEEK'S PUZZLES

A R M S MARTHA
S P E C I F I C A A A
S A S M G R A Z I N G
E N D U E P Q O O D
N I R L I Q U O R I C E
T I N T A G E L I A
C B L S E C U R E
W L O O R E X T
B A D G E R D T M
T D U S U R I O U S
N E W G U I N E A E R T
R L N D M A P L E
I L L E G A L D I A H V
O A R B E A T R I C E
R O M N E Y N Y A N

A P P R O P R I A T E
C O I N S I R
I C O M M U N I S T I C
N O O N N U N U M I E N
T D E V A D E R G
E M P L O Y C D A N C E R
M E E P E G P U A
P E R G O L A E P A U L E
E F N R A M C A I
R A I S E S L S E A T E
A E T A B L E I U
T O L D A A A K A D
E D I S T I N C T I O N E
C I T I L E S
M E R C H A N D I S E

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The World's Wit and Humour



"Philadelphia Inquirer"



"Cleveland Plain Dealer"

AMERICA LOOKS ABROAD AT REVOLUTION-TORN SPAIN
"But Why Bring That Up?"

"Out to Kill!"



"Daily Mirror"

London

OUR FUTURE NEEDS
Already a garage is looked upon as a necessity even in quite small houses. But our requirements are still growing.



"Morning Post"

London

Their patient, and no one shall save him.



"Kladderadatsch"

Berlin

NAZI VIEW OF THE DARDANELLES CONVENTION
"If the key is handed out to you, Suleika dearest," says Russia to Turkey, "I get it."



"New York Times"

New York

THE GOLDEN EGG THAT LAID OUT THE GOOSE



"New Yorker"

New York

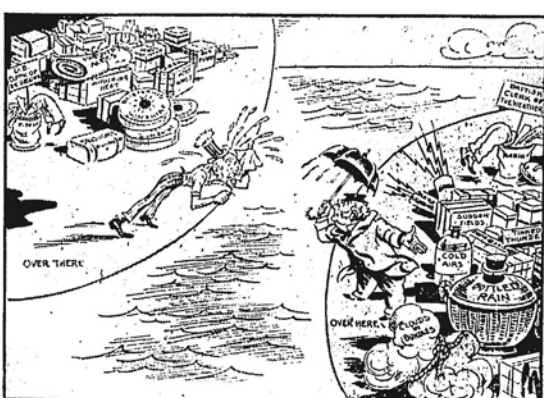
"... Hello, Edmund. Hello, Warwick. Hello, Teddy. Hello, Poodgie. Hello, Kip. Hello, Freddie..."



"Esquire"

Chicago

"Have you got a permit for a parade?"



"Daily Mail"

London

RIPE FOR RECIPROCITY
Couldn't We Swap Some of Our Surplus Products?



"Morning Oregonian"

Portland, Oregon

"Do I get a bid of 30 cents for this diamond-studded wrist watch or do I push you all out into the rain?"



"News Chronicle"

London

"A've come t'bring a present t' ma brither Sandy. He's th' man that's got lockjaw!"

Keeping Cool

VIGNETTES OF LIFE

By J. NORMAN LYND



ONE GOOD SYSTEM IS TO HAVE SEVERAL TALL GLASSES, AND KEEP THEM COMING, WITH TINKLING ICE—AND WHATEVER YOUR LITTLE HEART DESIRES.



"EAT SPARINGLY... NOTHING BUT A LEAF OF LETTUCE, A CRACKER, AND A GLASS OF MILK... AND AMYBE, A NUT OR TWO FOR DESSERT."



IF YOU KNOW THE ICE MAN WELL ENOUGH HE MAY LEAVE A CAKE WHERE IT WILL DO YOU MOST GOOD

DRESS LIGHTLY... UNLESS THE POLICE IN YOUR NEIGHBORHOOD ARE OFFICIOUS AND THINK YOU ARE FLOUTING SOME SACRED CITY ORDINANCE—

DON'T WORRY... IF SOME INSISTENT CREDITOR IS AFTER YOU, DON'T LISTEN TO HIM... WAIT TILL THE WEATHER COOLS OFF



SPEAKING PUSONLY, WE JUST CURL UP WITH A GOOD BOOK.

IF YOU SEE A POLITICAL FIGHT GOING ON, JUST KEEP MOVING... ESPECIALLY IF YOU HAVE HIGH BLOOD PRESSURE.



THE WOMAN'S PAGE



Shanghai, Aug. 29. Date books have been well filled this past week, and judging by the information we have gathered, will continue to be throughout the coming week, principally with events planned for visitors.

Mrs. Harold G. Robison, wife of the U.S. Trade Commissioner at Singapore, who during the short time she spent here was the houseguest of Mr. and Mrs. A. Bland Calder, was the incentive for many functions, Mr. and Mrs. Bland Calder were "at home" last Saturday afternoon to more than 50 friends in honour of their guest. The following morning Mr. and Mrs. Paul Kops gave a breakfast party to compliment Mrs. Robison, after which all the guests went on board the Calder's houseboat where they spent the remainder of the day. On Monday night Mr. R. J. Monical acted as host at a dinner given in the Park Hotel, with Mrs. Robison once more the guest of honour. Other guests present were Mr. and Mrs. Calder, Mr. H. B. Howard and Mr. Donald Cook. Later in the evening, Mrs. Robison was escorted on board the President Monroe, in which ship she sailed early Tuesday morning for Singapore.

Recent Visitors

Among the more recent arrivals in Shanghai is Miss Mary Ferguson, who came here last Thursday by plane from Peiping to visit her sister Mrs. George Tucker. In her honour, Mr. and Mrs. George Koster entertained at an informal dinner Friday evening. On Tuesday, Mrs. Tucker's household was enlarged with the arrival of her brother and sister-in-law, Mr. and Mrs. Duncan Ferguson, who have been visiting Mr. Ferguson's parents, Dr. and Mrs. J. C. Ferguson in Peiping during the summer. Many informal functions were given by Mrs. Tucker in their honour before they sailed for America in the President Cleveland yesterday. Mr. Duncan Ferguson is professor of sculpture in the University of Louisiana. Miss Mary Ferguson is returning to Peiping to-morrow, where she is connected with the Peiping Union Medical College.

Yet another Shanghai resident is entertaining houseguests. Mrs. Jennie B. McNair has been busy escorting Mr. and Mrs. Kenneth Lovejoy, prominent residents of Los Angeles, California, to various places of interest in and around Shanghai, and last Wednesday afternoon the hostess arranged a tea party in the Columbia Country Club in order that her guests might meet her friends. The tea also honoured Mr. Bailey Stanton, who arrived the day before in the President Jefferson from America. Mr. Stanton was in town until Friday, when he left for North China.

Over the week-end, Mrs. McNair took her visitors to see Hangchow, returning Sunday night. Plans are now being completed for a large tea party which the hostess is giving on Monday.

Miss Jane Richardson, who has been spending the past year at home in Los Angeles, returned to Shanghai recently in the President Coolidge, much to the delight of the younger set, and is at present visiting Mrs. Ethel Newman, in Wayfoong House. Nothing definite has yet been planned in the way of "welcome home" parties for Miss Richardson, as most of her close friends are still away on holiday. In the meantime, Miss Richardson will spend two weeks in Peiping and will leave for the old capital on Monday. When she returns there will be a number of social events to welcome her back.

Other Social Events

The social pendulum is beginning to swing with a good deal more vigour as the thermometer begins to climb down. Independent of the people who have been entertaining visitors, there are a number who have been giving parties for other reasons, or simply for the sake of "good times."

Dr. and Mrs. E. M. Harris, Jr., gave a cocktail party Monday evening in order to welcome Commander and Mrs. T. L. Morrow, who were passing through Shanghai in the President Monroe on their way to the Philippines, where Commander Mor-

row will assume his duties as surgeon at the Cavite Hospital. A large number of guests were invited to meet the Morrrows, and they included:

Colonel and Mrs. C. F. B. Price, Commander and Mrs. Ogden King, Chaplain and Mrs. M. M. Witherspoon, Major and Mrs. R. E. Knapp, Major M. Curtis, Major and Mrs. George Rowan, Major and Mrs. F. S. Robillard, Major and Mrs. G. W. Shearer, Major and Mrs. L. M. Rank, Jr., Capt. and Mrs. J. F. Lesser, Captain and Mrs. J. F. Hough, Captain and Mrs. J. R.



RECENT BRIDE

Mrs. John Alfred Williamson, the former Miss Dora Hunt, who was married at the Holy Trinity Cathedral on August 25.

Lieutenant and Mrs. W. E. Burke, Lieutenant and Mrs. L. H. Reilly, Lieutenant and Mrs. C. Johnson, Dr. and Mrs. J. D. Rives, Dr. and Mrs. F. A. Richison, Dr. and Mrs. J. E. Root, and Mrs. O. Chenault, Dr. and Mrs. H. P. Riebe, Dr. and Mrs. Smedley, Dr. and Mrs. C. Riggs, Dr. and Mrs. Ware, and J. Holland.

Captain and Mrs. John Taylor Kinley were "at home" on Thursday evening to about 250 guests, who gathered for cocktails, and for the purpose of wishing Miss Barbara McIntyre a happy birthday on this day of her coming of age.

In view of the fact that her last all-day houseboat party was such a success, Mrs. W. A. O'Hara, wife of Dr. O'Hara, gave another such party on Monday.

The annual two-day convention of the Alpha Lambda "Awakening Lion" fraternity over last week-end, was marked with gay festivities. More than 90 of its 250 members from the six chapters in China coming from Peiping, Nanking, Hangchow, Hankow, Canton and Shanghai were represented at the convention, which began Saturday afternoon with a tea and garden party at the Rio Rita.

Dinner was also served at the same place, and dancing was the evening's diversion.

Mr. Alfred Sun of Peiping and a brother of Mr. Russell Sun of Shanghai, now travelling around the world, was re-elected Secretary-General of the whole organization at the business session and luncheon held on Sunday at the International Club.

The high spot of the convention was the banquet and dance at Dinty Moore's Sunday evening, when members invited many guests to the affair. Dr. Peter Kingman Hsu, Chairman of the Shanghai Chapter, presided at the dinner.

Last Saturday night was the scene of three dinner parties, one given by Mr. and Mrs. L. R. Schinazi to honour Colonel and Mrs. F. B. Price, another by Dr. and Mrs. J. E. Root, Jr., and the third by Mr. and Mrs. E. C. Robinson as a last compliment to Brigadier

Thackeray, who left the following morning in the Empress of Japan.

Mr. and Mrs. L. R. Schinazi's dinner was held in the French Club and among the guests invited were: Mrs. Mona Farmer, Mr. and Mrs. Bland Calder, Mrs. Harold D. Robison, Mr. and Mrs. Walter Sullivan, Mr. Julian Arnold and Mr. Elson Colt.

The Roots gave their dinner at their home and invited Commander and Mrs. J. D. Rives, Dr. and Mrs. C. D. Riggs, Dr. and Mrs. O. W. Chenault, Dr. H. P. Reibe and Miss Dorothy Quigley.

Mr. and Mrs. E. C. Robinson entertained at the Park Hotel. A long table was laid in the Sky Terrace to accommodate 50 guests who gathered for dinner and then stayed on for an evening of dancing. Among those present were: Brigadier-General E. B. Macnaghten, Dr. and Mrs. W. J. Isenman, Mr. and Mrs. Louise Beale, Miss Ann Branch, Mr. Denzil Ezra, Mr. Cecil Ezra, Mr. A. H. George, Miss "Bobbie" Peterson, and others.

Mme. Vasconcellos Monteiro, wife of the Portuguese Assistant Consul, who arrived here recently, was complimented last Monday night by the Consul-General for Portugal and Mrs. A. J. Alves, who gave a dinner party in her honour at the French Club. The following guests attended: Mr. E. V. Ferrer and the Misses Maria and Mela Ferrer, Mr. E. Vega, Mr. and Mrs. Larraechea, Capt. and A. Lico, Mr. and Mrs. Mallory and Mrs. P. Lelo. After dinner the guests were taken to the Park Hotel where the rest of the evening was pleasantly spent in dancing.

Bon Voyage Gatherings

Yet another reason for entertaining has been that occasioned by people leaving Shanghai. The first of these functions took place last Saturday night when Mr. and Mrs. Harvey T. Hall gave a dinner at the Park Hotel to bid "bon voyage" to Mrs. L. F. Cecil, who left yesterday for Europe and America.

This affair was followed by another. The honoree this time being Mrs. Edith Bundy, a visitor in Shanghai for the past few months, who left this morning for her home in the United States. The hosts were Mr. and Mrs. U. G. Frondoff, who invited about 30 guests to cocktails. The lovely lawn at the Frondoff residence on Route Henri Riviere was gaily decorated for the occasion.

A farewell dinner party marked for the future will be given by Mr. and Mrs. William Gockson, for their son Raymond, who is returning to England early next month to continue his studies there. Invitations are now in the mail.

Another popular young lady will be leaving in the near future to attend school. Miss Joan Lockhart, daughter of Dr. and Mrs. O. C. Lockhart, who has been visiting here this summer, will return to Wellesley in the President Coolidge, which sails from here for San Francisco on September 8. She will enter her senior year at Wellesley College.

Pre-Nuptial Parties

Mrs. Jane Lohman and Mr. Claremont Penney whose wedding took place yesterday, were kept busier than the proverbial bee during the past week. While Mrs. Lohman was being entertained last Friday evening to dinner in the apartment of Mrs. J. D. Watt, Mr. Penney was bidding farewell to bachelor life, at the instance of his bachelor friends, at a dinner in the Shanghai Club. The gentlemen present included: Messrs. I. G. Allison, W. R. Dockrill, A. Piercey, K. M. Fotherly, A. J. S. Parkill, A. W. Parker, Bruce A. Macdonald, H. A. Scott, W. H. Putnam, J. D. Watt, G. Yates, C. W. Gordon and H. J. Mackenzie.

Mr. Roland Grimm acted as host earlier in the week, giving a dinner at the Park Hotel. Besides the guests of honour, Miss Barbara McIntyre and Mr. and Mrs. W. H. Putnam were also present.

Mrs. Edith Bundy was among others to entertain the bride-elect before her wedding. Bridge and mahjong was followed by luncheon. Others present included: Messrs. U. G. Frondoff, Mrs. W. H. Putnam, Mrs. J. Watt, Mrs. C. Whittaker, Mrs. O. D. Tyrell, Mrs. J. J. Kelly, and others.

Penney-Lohman Wedding

Amid pretty surroundings, namely the garden residence of Mr. and Mrs. W. H. Putnam at 253 Columbia Circle, and beneath a pretty willow bower decorated with pink lotus, asters, lilies and palms, Mrs. Jane Cravens Lohman, daughter of the late Mr. and Mrs. J. W. Cravens, of Spirit Lake, Iowa, and Mr. Claremont Downer Penney, son of Mrs. E. J. Penney and the late Mr. Samuel Penney of Vancouver, B.C., Canada, were united in marriage yesterday afternoon by Dr. Emory W. Luccock. Preceding the garden ceremony, a civil service was held earlier in the afternoon at the British Consulate-General with Mr.

A Mayfair Notebook

NORTH FOR THE "TWELFTH" CRUISING COUNSEL: STORING SUMMER FRAGRANCE

BY PHILIP

London, Aug. 7. No smarter toilettes are ever seen than those created annually for the green lawns of Goodwood. This year the crisp white organdies and pictures were concealed beneath mackintoshes and umbrellas, while July added another inch or so to her overflowing fountains.

Now society women are looking ahead to the late summer and autumn days when their clothes will be designed to afford protection from rain and mist, and the pleasure of wearing them will not be spoiled by the necessity of taking thought—and impedimenta—for their protection.

Soft natural colours which will blend with grass, stones and heather are most frequently chosen for shooting and "spectator" suits. Some of the best of these are made with fitting coats, buttoned up to the throat, and capes of the same tweed cleverly designed to fit under the turned-down collar of the coat beneath. Capes are cut with adequate fullness across the chest, and usually fasten down the front with three or four buttons, a practical touch this, which prevents them from blowing off the shoulders in the distracting way loose capes always have.

For those who cannot wear or do not care for capes, there are long coats cut on naggar or raglan lines to wear over costume suits. Top jumper suits are slimly fitted at the waist, with built-up shoulders like a man's and very smart they look, especially on tall, slight women.

There is a record demand for accommodation on "Royal Deeside" and the rumour that the cancellation of the King's holiday plans may result in a lengthened visit to Balmoral in September, has already affected Northern bookings and will accent the importance of sports clothes for the Scottish scene.

Cruising Counsel

Uncertainty about the situation in the Mediterranean is helping to increase the popularity of the cruise in Northern waters. Clothes for this

J. W. O. Davidson, C.M.C., O.B.E., officiating.

The bride who was given in marriage by Mr. Harry Scott, looked very charming in a powder blue chiffon gown with a short train, and large picture hat to match, trimmed with velvet in a darker shade of blue. She carried a bouquet of pink and tuber roses, tied with streamers of ribbon in pink satin.

Mrs. W. H. Putnam who attended the bride, was dressed in pink chiffon. Her hat was also of the large picture type in pink to match the colour of her gown. She carried lilies and tuber roses, tied with blue satin ribbon.

Mr. Bruce Macdonald acted as bestman, and the ushers included Messrs. M. B. Hill, Eric Petersen, I. G. Allison and W. H. Putnam. A host of friends were at the reception to congratulate the bride and groom, who left this morning for Tsingtau where the honeymoon will be spent. Mrs. Penney's going away ensemble was a suit of sheer black crepe, with lapels of black moire. A small black hat, white moire flowers at the neck, and white accessories, completed the smart picture.

Chinese Weddings

A wedding of great interest in Chinese circles took place last Thursday when Miss Kwan Sun-yuan, daughter of Mrs. K. Y. Kwan of Peiping, was married to Mr. Cheng Shih-min. The chief bridesmaid was Miss Lee Jung. Three tiny flower girls and a ringbearer also attended the bride. After the church ceremony, a reception and dinner was held in the Sun Sun Restaurant, where hundreds of guests gathered to wish the happy couple future happiness and success.

Another Chinese wedding which is scheduled to take place on September 9, will be that of Miss Lydia Nieh and Dr. Ning Watt. The bride-elect is associated with the Shanghai Municipal Council's Secondary School for Chinese Girls and is a graduate of the University of Shanghai. She is the niece of Mr. C. C. Nieh, a former chairman of the Chinese Chamber of Commerce. A graduate of the North Pacific Dental College, Portland, Oregon, Dr. Watt is the son of Dr. W. T. Watt, formerly president of Peiyang Medical College and Commissioner of Public Health in Tientsin. Dr. Watt is practicing in Shanghai. The ceremony will take place in Holy Trinity Cathedral, followed by a reception at the New Asia Hotel.

type of cruise must be selected with regard to the needs of a colder latitude, and this minimum outfit has been planned with these conditions in mind.

A three-piece coat, skirt and warm topcoat, possibly of fleecy material in a shade to harmonize or to match exactly, two knitted shirt blouses or jumpers in royal blue, cherry, coral, jade or some other definite and rather bright colour, and a pair of well-cut slacks in heavy stockinette or similar rather thick fabric. Add a short jacket, knitted in thick wool in the same colour as the slacks, a bathing suit, again in the basic colour chosen, and a sunbathing dress for hot days, in which the same colour is introduced, so that it can be worn with the jacket if necessary.

A classic evening dress cut very low at the back and with slim, straight skirt, would be grand for formal occasions. Two tunics, one in pastel shades with short puff sleeves and shaped basque springing from a fitted waistline, the other in one of the new brilliantly patterned cashmeres, knee-length, with full sleeves gathered into a narrow cuff, could be worn over it for informal dancing and dining.

One such outfit, with navy three-piece and slacks worn with banana yellow shirts and scarves was much admired, and it would be easy to throw out an attractive colour scheme to suit oneself. A deep wine red with accessories in palest blue or lilac would be most unusual and in the forefront of fashion.

Storing Summer's Fragrance

Many of us have a family recipe for pot pourri, but hesitate to try it because it seems so complicated and to demand the use of strange substances, the names of which cause the head of one's local chemist to shake dubiously. Yet there are many simple ways of preserving something of the perfume of the rose garden and of the innumerable herbs which help to swell the wave of fragrance which rises from the garden these summer evenings.

Here are one or two suggestions: The easiest of all, is to make scented pillows which really help to induce sleep and relax tired nerves. Gather a large bunch of lavender before the flowerlets are quite full blown; tie it in a bundle and hang, heads down, in the sun. When dry, strip stems of flowers and all but the largest leaves. Finish drying on sheets of paper.

Take an equal quantity of leaves from the lemon verbena bush, dry thoroughly, crumble and blend with the lavender. Add about an ounce of dried mint. This makes a deliciously scented pillow. Butter muslin, with a loose case of organdie or crepe de chine, is a good container.

An agreeably scented mixture for old ginger jars or earthenware bowls to place in your guests' bedrooms is made by drying lavender as described above, and adding it to dried rose petals, from two to three dozen roses, if you can get them, gathered just before they fall and dried in the sun till they turn brown.

The rose petals should be shaken every day for a week at least, and not allowed to get damp during this period. Take about an ounce of dried rosemary leaves, thyme, sage, mint, southernwood, lemon verbena and geranium and any other available perfumed herbs or flowers you like. Pound together two ounces oforris root and a few tonquin beans (if your chemist can rise to these last), add three teaspoonfuls of allspice and blend all together, crushing and mixing well. Pack into jars, but shake them up from time to time, to ensure thorough blending.

An Oriental Savoury

Pakodas are an attractive and easily made dish which has made its appearance in a London restaurant which caters especially for visitors from the East. They are an interesting adjunct to fried steak or veal cutlets.

Take a cup of lentil flour. Slice onions very finely. Rub a teaspoonful of butter into the flour, sprinkle as much chilli powder as liked, and add water to make a batter. Beat well, adding the onions and pinch of baking soda and a dash of lemon juice. Season to taste. Very thin slices of potato, shredded lettuce or nasturtium leaves can be added as well, and are all good. Heat frying fat to boiling point and drop in a tablespoonful at a time, fry until brown and crisp. Drain well and serve very hot.

These tasty little fritters will make the main dish for a hot weather lunch, if shredded cooked meat, ham or chicken is added to the batter before frying.

